

G. MALENKOV

REPORT
TO THE
NINETEENTH PARTY
CONGRESS
ON THE WORK
OF THE
CENTRAL COMMITTEE
OF THE C.P.S.U.(B.)



FOREIGN LANGUAGES PUBLISHING HOUSE
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THE INTERNATIONAL POSITION OF THE SOVIET UNION

Comrades, the period that has elapsed since the Eighteenth Party Congress has been replete with events of world-historic importance.

The Second World War shook the life of many peoples and states to its foundations and changed the face of the world. Prepared by the forces of international imperialist reaction and unleashed in the East by militarist Japan and in the West by Hitler Germany, the war upset the calculations of its inspirers and, thanks to the heroic struggle of the Soviet people, ended in a way that was unforeseen by the imperialists.

Instead of being destroyed or weakened, the Soviet Union was strengthened; its international prestige rose still higher. Instead of the weakening or crushing of democracy, the upshot was that a number of countries in Central and Southeast Europe broke away from capitalism and established the people's democratic system. Instead of the further enslavement of the peoples of the colonial and dependent countries, the upshot was a further mighty upsurge of the struggle for national liberation in those countries, and the

crisis of the colonial system of imperialism became more acute. A severe blow was struck at the entire world imperialist system by the historic victory of the great Chinese people. Today, a third of mankind has already been delivered from the yoke of imperialism, freed from the chains of imperialist exploitation.

In the capitalist world itself, as a result of the war, three big states—Germany, Japan and Italy—ceased to be great powers, and France and Britain lost their former positions.

The postwar period has been one of further weakening of the world capitalist system and of the growth of the forces of democracy and socialism.

In the economic sphere, the postwar years have seen the maturing of new economic difficulties in the capitalist countries, stepped-up expansion by American imperialism and, as a result, intensification of the antagonisms between the capitalist countries. These antagonisms have been aggravated by the attempts of imperialist circles to find a way out of the economic difficulties through economic militarization and the preparation of a new war.

In the political sphere, the postwar period has witnessed the formation of two camps—the aggressive, antidemocratic camp headed by the U.S.A., and the camp of peace and democracy. In this period a new centre of reaction and aggression emerged in the capitalist world—the U.S.A.—and it is from this centre that the chief danger comes to the peace, freedom and national independence of the peoples. In face of this danger, the forces of peace have risen

in all countries to wage a determined struggle in defence of peace and of the national independence of their countries.

The Soviet Union in the postwar period resumed its progress, interrupted by the war, along the road mapped by the Eighteenth Party Congress, along the road of peaceful development and gradual transition from socialism to communism. The postwar period has been one of impressive achievements in industry, transport, agriculture, and in all fields of science, culture and art. At the same time, it has been a period of further consolidation of the Soviet system, of further strengthening of the moral and political unity of Soviet society and of the friendship between the peoples of our country.

During the whole of this period the Soviet Union has been waging an active struggle for the maintenance and strengthening of world peace.

Let us examine the basic questions concerning the international situation.

1. THE FURTHER WEAKENING OF THE WORLD CAPITALIST SYSTEM AND THE ECONOMIC SITUATION IN THE CAPITALIST COUNTRIES

Characteristic of the general picture of the world economic situation at the present time is the existence of two lines of development.

One line is the line of continuous ascent of the

peaceful economy of the Soviet Union and of the People's Democracies, an economy that knows no crises and is developing for the purpose of satisfying to the utmost the material and cultural requirements of society. That economy ensures a steady rise in the living standards of the masses and full employment. Characteristic of that economy is the friendly economic cooperation of the countries which constitute the democratic camp.

The other line is the line of capitalist economy, the productive forces of which are stagnated, an economy which is writhing in the grip of the ever-deepening general crisis of capitalism and constantly recurring economic crises; the line of economic militarization and lopsided development of industries producing for war; the line of competitive struggle between countries, of the enslavement of some countries by others. This situation results from the fact that capitalist economy develops not in the interests of society, but for the purpose of securing the maximum profits for the capitalists through the exploitation, ruin and impoverishment of the majority of the population of the given country, through the enslavement and systematic robbery of the peoples of other countries, especially backward countries, and, lastly, through wars and militarization of the national economy.

The development of production in the U.S.S.R. and in the capitalist countries is shown in the following figures:

Growth of Industrial Output in the U.S.S.R.
and in Capitalist Countries, 1929-1951
(in percentages of 1929)

	1929	1939	1943	1946	1947	1948	1949	1950	1951
U.S.S.R. . .	100	552	573	466	571	721	870	1,082	1,266
U.S.A. . .	100	99	217	155	170	175	160	182	200
Britain . .	100	123	no infor- mation	112	121	135	144	157	160
France . .	100	80	pub- lished	63	74	85	92	92	104
Italy . . .	100	108		72	93	97	103	118	134

It will be seen from this table that the volume of industrial output in the U.S.S.R. in 1951 was 1,266 per cent of 1929, that is to say, it increased nearly thirteenfold during this period. In common with the prewar years, Soviet industry has since the war been steadily proceeding along an ascending line, on the basis of the development of production for peaceful purposes.

The table also shows that in the United States industrial production was stagnated between 1929 and 1939 and rose after that only as a consequence of the sharp increase in war production during the Second World War. After that it dropped considerably and rose again only with the launching of the war against the Korean people and the intensification of the armaments drive, as a result of which output in 1951 was double the 1929 figure.

Industrial output in Britain rose only 60 per

cent during this period, while in a number of other West-European capitalist countries industry is still hovering around the level of 1929.

In the European People's Democracies, in spite of the fact that they suffered from the war far more than the West-European capitalist countries, the prewar level of industrial production was exceeded in 1951: in Poland by 190 per cent, in Czechoslovakia by 70 per cent, in Hungary by 150 per cent, in Rumania by 90 per cent, in Bulgaria by 360 per cent and in Albania by more than 400 per cent. In these countries there is also a steady rise in agriculture, with particularly rapid progress in industrial crops, and considerable achievements in livestock farming.

The German Democratic Republic has made great headway in economic development. Its industrial output by 1952 not only reached the prewar level, but exceeded it by 36 per cent. The volume of industrial output in 1951 was 140 per cent above 1946. The metallurgical, machine-building and chemical industries, and the production of electricity, are growing from year to year. Agriculture has surpassed prewar levels both in crop area and per hectare yields.

The economy of the Chinese People's Republic is rapidly advancing. The Chinese people are working with tremendous enthusiasm and are successfully overcoming the severe consequences of the long and ruinous war against the Japanese invaders and the reactionary Kuomintang. China's industrial development has been proceeding at a rapid pace since the establishment of people's democratic government: in 1951 the volume of industrial output was more than

twice that of 1949; the railways have been restored and new lines are rapidly being built. As the result of the great agrarian reform effected by the People's Government of China, important successes have been scored in agriculture: the 1951 grain crop was 128 per cent, and the cotton crop 252 per cent, of 1949. Whereas the finances of old China were in a state of utter dislocation, with inflation assuming enormous proportions, the People's Government of China strengthened the country's finances and stabilized the currency.

In the Korean People's Democratic Republic there was considerable economic development after that country was liberated from the Japanese colonialists. In 1949 the volume of industrial production was four times larger than in 1946. In the rural districts, after the agrarian reform had been carried out by the People's Democratic Government, the crop area was enlarged nearly 25 per cent and per hectare yields of all agricultural crops increased considerably. The attack launched by the American imperialists interrupted the peaceful constructive labours of the people of the Korean People's Democratic Republic. American and other troops operating under the flag of the United Nations are barbarously destroying the peaceful towns and villages, the industry and agriculture, of North Korea.

The Mongolian People's Republic has made great forward strides in the development of its economy. Year after year the national economy of the republic is growing and gaining in strength, the living standards and culture of the Mongolian people are

advancing. Livestock breeding, the country's chief branch of economy, is steadily expanding. Since the republic has been in existence the number of cattle has increased 150 per cent, and all the cattle now belong to the working peasantry. The output of state and cooperative industry increased nearly threefold in the past ten years.

All the data characterizing the development of production in the capitalist countries and in the countries belonging to the democratic camp show that the tempo of industrial production in the capitalist countries, including the United States, lags considerably behind the tempo of industrial development in the U.S.S.R. and in the People's Democracies.

These data also show that the slight increases in industrial production in the capitalist countries are due entirely to the preparation of war and to the manufacture of supplies for the war machine during war.

Far from eliminating the economic and political contradictions of capitalism, the Second World War, on the contrary, still further intensified them, undermined the economy of the capitalist countries and intensified the general crisis of the world capitalist system. The Second World War failed to justify the hopes of the big bourgeoisie of the imperialist countries. Each of the two capitalist groups that contended against each other in the war counted on being able by force of arms to bring about a new redivision of the world, to seize new sources of raw materials, to expand the market for its goods, that is to say, to

strengthen its economic position at the expense of its rivals and to secure world domination.

These calculations proved to be wrong, however. With Germany and Japan knocked out as the principal competitors of the three chief capitalist countries—the United States, Britain and France—each of these three countries, particularly the United States, hoped to be able to increase its output four or five times, but these hopes were dashed to the ground. On top of this, China and the People's Democracies in Europe broke away from the capitalist system and, with the Soviet Union, formed a single and mighty camp of peace and democracy confronting the camp of imperialism.

The economic consequence of the formation of two opposite camps was, as Comrade Stalin has pointed out, that the single, all-embracing world market disintegrated and two parallel world markets were formed: the market of the countries in the camp of peace and democracy, and the market of the countries in the aggressive imperialist camp. The breakup of the single world market is the most important economic result of the Second World War and of its economic consequences.

The two world markets are developing in opposite directions. The new democratic world market knows no sales difficulties, because its capacity is growing year after year in conformity with the crisis-free growth of production in the countries of the democratic camp, because the continuous growth of production in all the countries of the democratic camp is continuously expanding the capacity of the democratic market. On the

other hand, there is the other world market, the imperialist market, which is not connected with the U.S.S.R. and the other democratic countries; it is therefore restricted and encounters sales difficulties due to interruptions and crises of production, unemployment and the impoverishment of the masses and its isolation from the democratic countries. It should, moreover, be borne in mind that as a result of the breakup of the single world market the sphere for the application of the forces of the principal capitalist countries (U.S.A., Britain and France) to the world resources has shrunk considerably, and this leads to the progressive contraction of the capitalist market. Selling conditions in that market have deteriorated, and are deteriorating still further.

The results of the Second World War have not been the same for all the capitalist countries, and this has produced important changes in the economic relations between them. The prolonged hostilities, the losses in man power and the material damage incurred undermined the economy of many of the belligerent countries. This applies primarily to Germany, Italy and Japan. The economy of France, Holland, Belgium and several other countries also suffered considerably. Britain was very seriously weakened.

The United States made immense profits out of the war; the American billionaires strengthened their economic positions. Nevertheless, the United States failed to achieve its aim, failed to establish the domination of American capital over the world market. The United States thought that after Germany and Japan had been knocked out it would be able to increase production

four or five times; but it only doubled production and is now sliding into an economic crisis. It is a fact that at the present time there are no less than three million fully unemployed in the United States and even more semi-unemployed. Mass workers' strikes are still further complicating things for the United States billionaires. And this is due to the fact that, through the fault of ruling circles of the United States, the industry of that country has been deprived of such markets as the U.S.S.R., China and the European People's Democracies.

American imperialism is acting today not only as an international exploiter and enslaver of nations, but also as a force that is disrupting the economies of the other capitalist countries. After the war, United States monopoly capital, taking advantage of the weakness of its competitors, seized a large part of the world capitalist market. It is wrecking the historically established multilateral economic ties between the capitalist countries and replacing them by unilateral ties between these countries and the United States. Boosting their exports through the most unscrupulous dumping, while at the same time closing their home market to foreign goods, with the result that the American people are being strangled by high prices, the American monopolies are more and more dislocating the world capitalist market. American imperialism is preventing the West-European countries from receiving food products from their former markets in Eastern Europe, to which they had always exported large quantities of manufactured goods in exchange for food and raw materials.

The economic policy pursued by American imperialism was bound to aggravate the antagonisms between the United States and the other capitalist countries. The antagonisms between the United States and Britain remain the chief antagonisms, and they are taking the form of open struggle between the American and British monopolies for sources of oil, rubber, nonferrous and rare metals, sulphur, wool and for commodity markets.

To this must be added the extremely acute antagonisms between the United States and Japan, between the United States and Italy, and between the United States and Western Germany, countries which are living under the occupation yoke of the United States dictators. It would be naive to think that these vanquished countries will consent to live forever under the heel of the American occupants. It would be foolish to think that they will not try in one way or another to throw off the oppression of the United States in order to live free and independent lives.

As American capitalism, on the pretext of rendering "aid" in the shape of credits, penetrates the economies of Britain, France and Italy, seizes raw materials and markets in the British and French colonies, the antagonisms between the United States and Britain and between the United States and France become more acute, and will become still more acute in future. Britain, and following it France and the other capitalist countries, are trying to break away from their subjection to the United States in order to win an independent position and high profits for themselves. The British capitalists are already waging a stubborn

struggle against American domination in international trade.

The economic difficulties in which the capitalist countries found themselves after the war were aggravated by the fact that the imperialists themselves cut off their access to the world democratic market. The United States has reduced trade with the Soviet Union and the European People's Democracies almost to zero, and has cut off trade with China. It has virtually prohibited not only the vanquished countries (Japan, Western Germany and Italy), but also Britain, France, Holland, Denmark, Norway, Belgium and other capitalist countries from selling and buying goods in the markets of the countries in the democratic camp. In 1951 United States trade with the countries now in the democratic camp was only one tenth of the 1937 figure; Britain's trade with these countries dropped to one sixth and that of France to less than one fourth.

The United States, and also Britain and France, subjected the U.S.S.R., China and the European People's Democracies to an economic "blockade," thinking thereby to strangle them. But the new democratic world market was not strangled; on the contrary, it grew stronger. The upshot was that the imperialists merely struck a serious blow at their own exports and still further aggravated the contradictions between the productive potentialities of their industry and the possibility of marketing its products.

All this signifies that the capitalist economy is now afflicted with still more profound contradictions, and that the world system of capitalist economy as a

whole has become much narrower, weaker and still more unstable than before the war.

Aware of these economic difficulties, the United States capitalists are trying to get over them by the war in Korea, the armaments drive, and militarization of industry.

Unleashing a reactionary war against the Korean people and whipping up war hysteria against the democratic camp, the United States, British and French imperialists have converted their economies to war purposes, and have increased economic militarization and the armaments drive in their countries to enormous proportions. At present an ever-growing share of their industrial output is being used for war supplies. War contracts play a decisive part in the basic industries of the United States and of the other capitalist countries. Direct and indirect expenditure on armaments constitutes a steadily increasing share of the budgets of the capitalist states. In the United States, direct war expenditure increased from \$1,000 million in the 1937-38 fiscal year to \$58,200 million in 1952-53; today such expenditure accounts for 74 per cent of the total budget, compared with 14 per cent in 1937-38. In Britain, war expenditure during the same period rose from £197 million to £1,634 million, and now accounts for 34 per cent of the total budget, compared with 17 per cent before the war. In France, war expenditure now makes up nearly 40 per cent of the total budget.

This unprecedented growth of war expenditure leads to continuously mounting taxation and constantly increasing inflationary emissions of paper money. The

war and the policy of America's ruling circles have drastically weakened the entire financial system of the capitalist countries, and it is being weakened more and more all the time. Money has depreciated to an unprecedented degree. According to official and obviously doctored figures the purchasing power of the dollar in 1951 was only 43 per cent of that of 1939; the purchasing power of the pound sterling was 32 per cent, of the French franc 3.8 per cent, and of the Italian lira less than 2 per cent.

By converting their economies to war purposes the United States and other capitalist countries have been able for a time to raise their industrial production. The bourgeois economists are trying to advance this as proof that big war contracts are capable of maintaining "business activity" at a high level forever. Reality however refutes these assertions. Today, in the third year of the intensified militarization of capitalist economy, the fatal consequences of this militarization are becoming more and more evident. The war-inflation factors, while causing a temporary boom, have given rise to a lopsided war development of the economy of the capitalist countries. An ever-increasing part of finished goods and raw materials is being absorbed by unproductive war consumption, or is frozen in the shape of vast strategic stockpiles. At the same time the militarization of economy leads to the squeezing of money out of the population by higher taxes. All this transforms the budgets of the capitalist countries into a means by which the billionaires can rob the people; it greatly reduces the purchasing capacity of the population, decreases the demand for the products

of industry and agriculture, leads to a sharp reduction of civilian production and creates the conditions for the advent of an acute economic crisis.

The militarization of the national economy does not remove, but, on the contrary, widens the gap between production potentialities and the declining effective demand of the population, which the ruling upper circles in the capitalist countries are reducing to the extreme minimum. This causes progressive contraction of the capitalist market. Thus, the expansion of war production inevitably leads to the maturing of a new profound economic crisis.

The armaments drive imposes an exceptionally heavy burden on the economy of the United States satellites. After launching war in Korea, the United States increased its pressure on the West-European states, demanding of them more thorough conversion of industry to war purposes, the assignment of excessive sums for war preparations, and depriving the civilian industries in these countries of necessary raw and other materials. American imperialism has completely thrown off the mask of "rehabilitator" of the economy of the capitalist countries. American "aid" is now granted only for armaments and for the preparation of a new war. The armaments drive in which the rulers of Britain, France, Italy, Western Germany, Belgium, Norway and other capitalist countries are now engaged in obedience to the dictates of the American monopolies is wrecking the economy of these countries and driving them to disaster.

The billionaires, who have imposed their domination upon the bourgeois state and are dictating to it

the policy of preparing a new war and of piling up armaments, are today making colossal profits. For the billionaires, primarily for the monopolies and billionaires of the United States, the armaments drive has become a source of unprecedented wealth. Even according to understated official figures, the profits of the capitalist monopolies of the United States rose from 3.3 billion dollars in 1938 to 42.9 billion dollars in 1951, i.e., a thirteenfold increase. Huge profits are being made by the British monopoly moneybags, and also by the capitalist monopolies in France, Italy, Japan and other countries, in spite of the fact that the economies of these countries are in a state of prolonged stagnation.

At the same time militarization has led to a sharp deterioration of the conditions of life of the masses. Increased taxation, the rise in the price of consumer goods and inflation have intensified both the relative and absolute impoverishment of the working people. In the United States, the direct taxes imposed upon the population in the present fiscal year are more than twelve times higher than in the 1937-38 fiscal year, even after allowance is made for currency depreciation. In the West-European countries, where the burden of taxation was very considerable even before the Second World War, taxes have increased as follows: Britain 100 per cent, France 160 per cent, and Italy 50 per cent.

Even the obviously understated official cost of living and retail price indices testify to a continuous rise in living costs, which became particularly accentuated after the United States launched its aggression

in Korea. Under these conditions, the policy of "freezing" wages carried out by the capitalists with the assistance of the Right-wing Socialists and the reactionary trade union leaders has resulted in a sharp drop in the real wages of industrial and office workers. In France and in Italy, real wages of workers in 1952 are less than half of prewar; in Britain they are 20 per cent below prewar. In the United States, according to figures published by the United Electrical Workers' Union, the cost of living has risen nearly threefold compared with 1939. In spite of the growth of war production, there is an increase in the number of unemployed and semi-unemployed in the capitalist countries. In Italy and in Western Germany, unemployment is above the level of the severest years of the world economic crisis of 1929-33. In Italy there are over two million fully unemployed and an even larger number of semi-unemployed. In Western Germany there are nearly three million fully and semi-unemployed; in Japan the figure is about ten million. In the United States there are not less than three million fully unemployed and ten million semi-unemployed. Unemployment is growing in Britain, where the number of unemployed already exceeds half a million. In a small country like Belgium there are over 300,000 unemployed.

The increasing deterioration of the material conditions of broad strata of the population due to the armaments race is causing mounting resentment among the masses and intensifying their struggle against depression of living standards and the entire policy of engineering another war. The class antago-

nisms between the imperialist bourgeoisie, on the one hand, and the working class and all working people, on the other, are becoming more and more acute. The strike wave is spreading more and more widely throughout the capitalist world.

The position of the world capitalist system is now becoming increasingly difficult owing to the fact that, as a result of the war and of the new upsurge of the struggle for national liberation in the colonial and dependent countries, the colonial system of imperialism is actually disintegrating.

A direct result of the defeat of fascist Germany and of imperialist Japan was the breach of the imperialist front in China, Korea and Viet-Nam, where People's Republics have arisen in the place of semi-colonies and colonies. The victory of the Chinese people has still further revolutionized the East and has stimulated the struggle for liberation of the peoples oppressed by imperialism.

The antagonisms between the colonial powers and the colonies have become more acute in the postwar period. Britain, France, Belgium and the other colonial powers are trying to compensate themselves for the burdens thrust upon them by the militarization of their economies and United States expansion by intensifying the exploitation of their colonies. At the same time, the American imperialists are penetrating the colonies and spheres of influence of these colonial powers, winning positions there for themselves and still further increasing the exploitation of the peoples of the colonial and dependent countries. In the course of this struggle the American usurpers instigate plots against their British

and French "allies" and their actions further aggravate the crisis of the colonial system of imperialism. The territory of many of the colonial and dependent countries (Egypt, Iran, Syria, Morocco, Tunisia and others) is being used to build war bases and their peoples are being cast in the role of "cannon fodder" in a future war.

As a result of prolonged imperialist oppression and of survivals of feudalism, the economy of the colonial and dependent countries, especially agriculture, is in a state of decline. Tens of millions of people in India, Indonesia, Iran and in Africa are living in a state of constant hunger and vast numbers of people have actually died of starvation. The rapacious exploitation of the colonial and dependent countries by the imperialist powers is retarding the development of the productive forces of these countries; the purchasing capacity of the population is extremely low, and the market for manufactured goods is shrinking. All this is a dead weight that is dragging down the economy of the capitalist world and aggravating the internal contradictions of the world capitalist system as a whole.

The people of the colonies and dependencies are offering more and more determined resistance to the imperialist enslavers. Evidence of the growing scope of the national-liberation movement is provided by the struggle of the peoples of Viet-Nam, Burma, Malaya, the Philippines and Indonesia, and by the growth of national resistance in India, Iran, Egypt and in other countries.

2. AGGRAVATION OF THE INTERNATIONAL SITUATION.

THE AMERICAN-BRITISH AGGRESSIVE BLOC

THREATENS TO LAUNCH A NEW WAR.

THE PEOPLES FIGHT FOR PEACE

In the sphere of international relations too, preparation of another war has been the keynote of the activities of the ruling circles of the United States, Britain and France in the postwar period.

Almost immediately after the termination of the Second World War the United States abandoned the agreed course of policy the wartime allies had pursued and which had been set forth in the decisions of the Teheran, Yalta and Potsdam conferences of the Powers. By a series of aggressive actions the United States aggravated the international situation and confronted the world with the danger of another war.

The rulers of the United States have quite frankly formulated the aim of their aggressive course. As early as 1945, soon after he was installed in the post of President of the United States, Truman said: "Victory has placed upon the American people the continuing burden of responsibility for world leadership." Since then he and other American politicians have time and again repeated the United States claim to "world leadership." This aim of establishing world domination, of subjugating all other countries, is the chief motive of the entire policy of the American imperialist rulers.

The United States bosses knew, of course, that they stood no chance of imposing their domination

over other nations by peaceful means. They knew from the experience of the Hitlerites, who had also tried to impose their domination upon other countries, that it was useless even dreaming of achieving world dominion without recourse to force, without unleashing a new war. And so they decided to violate the peace, to prepare another war. And since the U.S.S.R. is the chief opponent of another war and is the main bulwark of peace, the men who hold sway in the United States came to the conclusion that war must be launched against the U.S.S.R. and the other champions of peace. And so the North-Atlantic aggressive bloc was formed, without the knowledge and behind the back of the U.S.S.R. And in order to conceal the aggressive aims of this bloc from the people, and to deceive the people, they proclaimed it a "defensive" bloc against "communism," against the Soviet Union, which, they alleged, intended to attack the United States, Britain, France and the other members of the bloc.

In pursuit of the same criminal aim American war bases are being established in different countries, as closely as possible to the Soviet frontiers.

In pursuit of the same criminal aim the ruling circles of the United States are remilitarizing Western Germany and Japan.

In remilitarizing Western Germany and Japan, the ruling circles of the United States and their supporters are, in the sight of the whole world, restoring the two hotbeds of the Second World War, for the destruction of which the people shed their blood in that war.

The American attack on the Korean People's Democratic Republic marked the transition of the U.S.-British bloc from preparation of an aggressive war to direct acts of aggression. The Korean people, who, in close cooperation with the valorous Chinese volunteers, are heroically defending the freedom and independence of their country and resisting the violators of the peace, enjoy the ardent sympathy of the whole of democratic and peace-loving mankind. (Loud applause.)

The over-all international situation today has a number of specific features and peculiarities, of which the following must be noted.

The chief aggressive power—the United States of America—is vigorously impelling the other capitalist countries towards war, primarily the countries of the North-Atlantic bloc, and also the countries vanquished in the Second World War—Western Germany, Italy and Japan. The American bosses dictate to all the members of the bloc the aims of this war, the route it will take, what forces are to participate in it; and they decide all other questions connected with the preparation of war, dictating their will to the others.

The rulers of the United States assert that they are inspired by such ideals as the creation of a "commonwealth of free nations." Every now and again they declare that the United States, Britain, France, Turkey and Greece constitute a "commonwealth of free nations," whereas the U.S.S.R. and the People's Democratic Republics, they say, are "unfree" nations. Our understanding of this is that "freedom" does

exist in the United States, Britain, France, Turkey and the other capitalist countries, but not for the people; it is freedom to exploit and rob the people. As regards the U.S.S.R. and the People's Democracies, it is true that this kind of "freedom" does not exist there, because in these countries freedom to exploit and rob the working people was abolished long ago. (Applause.) But it is this freedom that the champions of the "American way of life" are boasting of.

Actually, America's policy towards its West-European and other capitalist "friends" is not a democratic, but an imperialist policy. Under the flag of "anti-communism" and "defence of freedom" the United States is actually subjugating and robbing the old, long-established bourgeois states and their colonies. As was the case with Hitler in the past, the American imperialists need the smoke screen of "struggle against communism" for the purpose of diverting attention from their actual usurpatory intentions. While pursuing an imperialist policy towards Britain, France and the other capitalist countries, the United States has, to put it mildly, the immodesty to pose as the sincere friend of these countries. A nice friend to be sure! He rides on the backs of his junior partners, robs and enslaves them and, belabouring them fore and aft, keeps on saying: "let's be friends." By that the American moneybags mean: First I'll drive you and then I'll ride you. (Laughter.)

The once free capitalist states—Britain, France, Holland, Belgium and Norway—are now virtually

renouncing their national policy and are pursuing a policy dictated by the American imperialists; the governments are allowing their territories to be used as place d'armes and for the purpose of building American war bases, thereby jeopardizing the safety of their own countries in the event of hostilities. In obedience to the United States they are concluding alliances and blocs, contrary to the national interests of their own states. A glaring example of this is provided by the actions of the ruling circles of France who, with their own hands, are helping to rehabilitate the agelong bitterest enemy of France—German militarism. The British political leaders, both of the Conservative and Labour persuasion, have signed up for a long time as the junior partners of the United States, thereby pledging themselves to pursue, not their own national policy, but the American policy. That policy is already inflicting great suffering upon the British people and is causing the British Empire to burst at the seams.

British propaganda agencies continuously assert that the British Empire is being broken up by the Communists; but the ruling circles of the British Empire cannot fail to see the obvious facts which show that the British imperial possessions are being seized not by the Communists, but by the American billionaires.

Is it the Communists and not the American billionaires who have seized Canada, who are seizing Australia and New Zealand, who are pushing Britain out of the Suez Canal zone and from the markets of Latin America and the Near and Middle

East, and who are laying their hands on the oil regions in the possession of Britain?

The facts show that no enemy of Britain has inflicted such heavy blows upon her, no enemy has taken from her part after part of her empire as her American "friend" is doing. That "friend" is in a bloc with Britain and is using British soil as air bases, thereby putting her in a difficult, I would say, a dangerous position, and yet poses as Britain's saviour from "Soviet communism."

As regards such "free" countries as Greece, Turkey and Yugoslavia, they have already been converted into American colonies, and the rulers of Yugoslavia, all the Titos, Kardeljs, Rankovices, Djilases, Pijades and others, long ago signed up as American agents and are carrying out against the U.S.S.R. and the People's Democracies the espionage and sabotage tasks set them by their American "chiefs."

The ruling circles of France, Italy, Britain, Western Germany and Japan have tied themselves to the war chariot of American imperialism and are abandoning their own national, independent foreign policy. True, the ruling top crust of these countries are thereby betraying the national interests of their countries and are testifying to their own bankruptcy. But they prefer to sacrifice the national interests of their countries in the hope of receiving the assistance of their trans-Atlantic imperialist patrons against their peoples, whom they fear more than bondage to alien imperialists.

Direct responsibility for this anti-national policy of the ruling circles is borne also by the Right-wing

Social-Democrats, primarily by the leaders of the British Labour Party, the French Socialist Party and the Sôcial-Democratic Party of Western Germany. The Right-wing Socialists in Sweden, Denmark, Norway, Finland, Austria and other countries are following in the footsteps of their colleagues, and during the entire period since the termination of the Second World War have been furiously fighting the popular forces of peace and democracy. In addition to their old role of servitors of their respective national bourgeoisie, the present-day Right-wing Social-Democrats have assumed the role of agents of foreign, American, imperialism, and are performing its dirtiest assignments in the preparation of war and in the struggle against their own peoples.

A distinguishing feature of the strategy of American imperialism is that the U.S. policymakers build their war plans on the use of foreign territories and foreign armies, primarily West-German and Japanese, but also British, French and Italian—on the use of other peoples who, according to the designs of the American strategists, are to serve as blind tools and cannon fodder for winning world domination for the American monopolists.

But already the more sober-minded and progressive politicians in the European and other capitalist countries, those who are not blinded by anti-Soviet enmity, distinctly see the abyss into which the reckless American adventurers are dragging them; and they are beginning to come out against war. It is to be supposed that in the countries which are being condemned to the role of obedient pawns of the Amer-

ican dictators genuine democratic and peace forces will be found who will pursue an independent peace policy and find a way out of the impasse into which the American dictators have driven them. If they take this new path, European and other countries will meet with the complete understanding on the part of all the peace-loving countries. (Loud and prolonged applause.)

In the endeavour to mask their policy of conquest, the ruling circles of the United States are trying to make it appear that the so-called "cold war" against the democratic camp is a peaceful defensive policy, and are intimidating their people with the nonexistent danger of an attack by the U.S.S.R. The masking of aggressive plans, and of the hostilities already being conducted, with demagogic peace phraseology by the bosses of the Atlantic bloc is a characteristic feature of their policy. The fact is that it is not so easy nowadays to rouse the peoples, who only recently experienced all the hardships of a sanguinary war, for a new war, for a war against the peace-loving peoples. Hence the efforts of the aggressive Atlantic wolf to parade in sheep's clothing.

Under these circumstances, it would be dangerous to underrate the harm of this pharisaical peace camouflage of the present-day aggressors.

Preparation for war is accompanied by an unprecedented bacchanalia of militarism, which has permeated the whole life of the peoples of the countries in the imperialist camp; it is accompanied by a furious reactionary onslaught on the working people,

and by the fascisation of the entire regime in those countries.

The Hitlerite imperialists, when preparing for the Second World War, introduced fascism in their own country; but at the present time the American imperialists, in preparing for a new war, are introducing the brutal fascist regime, not only in the United States, but also in other countries, primarily where the forces of peace and democracy are particularly strong, as for example, in France, Italy and Japan. The ruling circles of these countries, fulfilling the shameful mission dictated to them by the American militarists, have launched war against their own people. And the American armed forces stationed outside of the United States are performing the function of punitive gendarme troops.

Today, American imperialism is acting not only as an aggressor, but also as the world gendarme, striving to strangle freedom wherever it can and to implant fascism.

But already this world gendarme is meeting with the mounting hatred and resistance of the oppressed peoples.

All this is evidence of weakening imperialist positions and is greatly aggravating the struggle within the imperialist camp between the forces of fascist reaction and the democratic forces of the peoples in the imperialist countries. Such a situation is fraught with very grave consequences for the warmongers.

In view of the growing danger of war a popular movement in defence of peace is developing; anti-war coalitions are being formed of different classes and

social strata interested in easing international tension and in averting another world war. All the efforts of the warmongers to paint this nonpartisan, peaceful, democratic movement as a party movement, as a communist movement are in vain. The fact that 500 million people signed the Stockholm Appeal and that over 600 million signed the Appeal for a Pact of Peace between the five Great Powers is the best refutation of this assertion of the warmongers and proof of the colossal dimensions of this nonpartisan, democratic movement in defence of peace. This peace movement does not set itself the object of abolishing capitalism, for it is not a socialist, but a democratic movement of hundreds of millions of people. The peace supporters advance demands and proposals designed to facilitate the maintenance of peace, the averting of another war. Under the present historical conditions, the achievement of this object would be a tremendous victory for the cause of democracy and peace.

The present relation of forces between the camp of imperialism and war and the camp of democracy and peace makes this prospect quite real. For the first time in history there is a mighty and united camp of peace-loving states. The working class in the capitalist countries is now more organized, and powerful democratic international organizations of workers, peasants, women and the youth have been formed. The Communist Parties, which are waging a heroic struggle for peace, have gained in scope and strength.

The peoples of all countries are vitally interested in the struggle against the danger of another war, and

this applies also to the broad masses in the United States, for in the event of war they will suffer no less than the population of other countries. The war in Korea, despite the enormous preponderance of American armaments, has already cost the American people hundreds of thousands of killed and wounded. It is easy to realize what colossal sacrifice the American people will have to bear if the bloated financial tycoons in the United States hurl them into a war against the peace-loving nations.

The task now is to enhance still further the activity of the popular masses, to strengthen the organization of the peace supporters, tirelessly to expose the warmongers and to prevent them from enmeshing the people in a web of lies. Curb and isolate the adventurers in the camp of the imperialist aggressors, who, for the sake of their profits, are trying to draw the peoples into a holocaust—such is the chief task of the whole of progressive and peace-loving mankind. (Prolonged applause.)

3. THE SOVIET UNION IN THE STRUGGLE FOR THE MAINTENANCE AND STRENGTHENING OF PEACE

The Party's main line in the sphere of foreign policy has been, and remains, a policy of peace between the nations and of ensuring the security of our socialist Motherland.

At the very inception of the Soviet state, the Communist Party proclaimed and has since been carrying out a policy of peace and friendly relations

between the nations. During the entire period between the two world wars, the Soviet Union perseveringly championed the cause of peace, fought in the international arena against the danger of a new war, endeavouring to secure the adoption of a policy of collective security and collective resistance to aggression. It was not the fault of the Soviet Union that reactionary circles in the United States and in the West-European countries disrupted the policy of collective security, encouraged Hitler aggression, and brought on the unleashing of the Second World War.

While unswervingly championing the policy of peace, our Party, at the same time, aware of the hostile ring around us, tirelessly strengthened the defence capacity of our country in order to meet the enemy fully armed.

In 1939, when the conflagration of the new war was already raging, Comrade Stalin, at the Eighteenth Party Congress, formulated the fundamental principles of Soviet foreign policy in the following words: "We stand for peace and the strengthening of business relations with all countries. That is our position; and we shall adhere to this position as long as these countries maintain like relations with the Soviet Union, and as long as they make no attempt to trespass on the interests of our country." At the same time Comrade Stalin uttered the following warning to the aggressors: "We are not afraid of the threats of aggressors, and are ready to deal two blows for every blow delivered by the instigators of war who attempt to violate the Soviet borders."

And when Hitler Germany treacherously attacked our Motherland, the Soviet people determinedly repulsed the enemy and utterly defeated him. The whole world became convinced that our Party does not throw words to the winds. (Loud and long continuing applause.)

On the termination of the Second World War, our Party continued to pursue a foreign policy aimed at ensuring lasting and durable peace and the development of international cooperation. The Soviet Government proposed its widely-known program of measures for averting war.

Evidence of the peaceful strivings of the Soviet Union is provided not only by the proposals it makes, but also by its deeds. On the termination of the war, the Soviet Union greatly reduced its armed forces, whose numbers today do not exceed those before the war. After the war, the Soviet Government, in the shortest possible space of time, withdrew its troops from China, Korea, Norway, Czechoslovakia, Yugoslavia and Bulgaria, which they had entered in the course of hostilities against the fascist aggressors. Believing that the struggle against the man-hating propaganda of a new war can help greatly to relax the tension in international relations, the Supreme Soviet of the U.S.S.R., on March 12, 1951, passed the Peace Defence Law and proclaimed war propaganda a heinous crime against humanity. In this it set an example to other states.

During the most serious complications arising on the international scene in the past few years it was

the Soviet Union that made proposals which provide a basis for the peaceful settlement of disputes. It is sufficient to recall that it was the Soviet Government that made the proposals that served as a basis for the truce negotiations in Korea.

The Government of the U.S.S.R. attaches great importance to the United Nations, believing that it could be an important means for the maintenance of peace. At the present time, however, the United States is converting the United Nations from the organ of international cooperation it should have been, according to the U.N. Charter, into an organ of United States dictatorial policy in the struggle against peace, and it is using it as a screen for its aggressive actions. In spite of the enormous difficulties created by the United States voting machine in the United Nations, the Soviet Union is in that body championing the cause of peace, striving to secure the adoption of effective proposals called for by the present international situation, proposals aimed at curbing the aggressive forces, averting a new war, and putting a stop to hostilities where they are already in progress.

It would be wrong to think that war can be launched only against the Soviet state. It is common knowledge that the imperialists unleashed the First World War long before the U.S.S.R. came into existence. The Second World War began as a war between capitalist states, and it inflicted severe damage on the capitalist countries. The antagonisms which now rend the imperialist camp may lead to a war of one capitalist state against another. Taking all these

circumstances into account, the Soviet Union is striving to avert all war between states, and advocates the peaceful settlement of international conflicts and disputes.

In pursuing its policy of ensuring lasting peace, the Soviet Union is, however, faced with the aggressive policy of America's ruling circles.

What is more, the bellicose American circles try to put the blame on others and do everything to spread their mendacious propaganda about an alleged danger of attack by the Soviet Union. It would be ridiculous to spend time refuting these mendacious fabrications, for their utter groundlessness is obvious. Who is really the aggressor is shown by incontrovertible facts.

Everyone knows that the United States is stepping up the armaments drive, refuses to ban atomic and germ weapons, and refuses to reduce conventional armaments, whereas the Soviet Union proposes that atomic and germ weapons be banned and that other armaments and armed forces be reduced.

Everyone knows that the United States refuses to conclude a Pact of Peace, whereas the Soviet Union is urging the conclusion of such a Pact.

Everyone knows that the United States is forming aggressive blocs against the peace-loving peoples, whereas the sole object of the treaties the Soviet Union has concluded with foreign states is to combat the resumption of Japanese or German aggression.

Everyone knows that the United States has attacked Korea and is striving to enslave her,

whereas the Soviet Union has not conducted hostilities anywhere since the termination of the Second World War.

The United States is conducting aggression also against China. It has seized ancient Chinese territory—Taiwan. Its air forces are bombing Chinese territory, in violation of all the accepted norms of international law. Everyone knows that the air forces of the U.S.S.R. are not bombing anybody's territory, and that the U.S.S.R. has not seized any foreign territory.

Such are the incontrovertible facts.

Passing to our relations with Britain and France, it must be said that these relations were to have been maintained in the spirit of the treaties we concluded with these states during the Second World War and which provide for postwar cooperation. The British and French governments, however, are grossly violating these treaties. Despite the solemn promises of postwar cooperation they made to the Soviet Union when it was waging sanguinary war for the liberation of the peoples of Europe from German fascist enslavement, the rulers of Britain and France are taking a full part in implementing the aggressive plans of the American imperialists against peace-loving nations. It goes without saying that, in view of the attitude of the British and French governments, our relations with these countries leave much to be desired.

The U.S.S.R.'s position in relation to the U.S.A., Britain, France and other bourgeois states is clear, and this position has been repeatedly stated by

us. The U.S.S.R. is still ready to cooperate with these states with the view to promoting adherence to peaceful international standards and the ensurance of lasting and durable peace. (Applause.)

In relation to the vanquished countries—Germany, Italy and Japan—the Soviet Government is pursuing a policy that differs fundamentally from the policy of the imperialist powers. The fact that the Soviet Socialist State was among the victors, created for the peoples of the vanquished states an entirely new situation and possibilities unprecedented in history. The Soviet Union's policy creates for every country that surrendered unconditionally the opportunity for peaceful democratic development, for raising its civilian industry and agriculture, selling its products in foreign markets, and creating the national armed forces necessary for defence. In conformity with the Potsdam Agreement, the Soviet Union is unswervingly pursuing a policy aimed at the speediest conclusion of a peace treaty with Germany, the withdrawal of all occupation troops, and the establishment of a united, independent, peace-loving, democratic Germany, bearing in mind that the existence of such a Germany, together with the existence of the peace-loving Soviet Union, precludes the possibility of new wars in Europe and makes the enslavement of the European countries by the world imperialists impossible. (Prolonged applause.)

We may hope that the German people, who are faced with the choice of proceeding along this road, or of being transformed into landsknechts of the American

and British imperialists, will choose the right road—the road of peace. (Applause.)

The same must be said in relation to Italy. The Soviet Union wishes the fraternal people of Italy complete restoration of their national independence. (Applause.)

The Soviet Government believes that Japan too must become an independent, democratic, peace-loving state, as was provided for in the joint decisions of the allies. The Soviet Government refused to sign the unilateral treaty imposed by the American dictators at the San Francisco Conference, because that treaty tramples upon the principles of the Cairo and Potsdam declarations and the Yalta Agreement, and has for its object the conversion of Japan into a Far-Eastern American war base. The peoples of the Soviet Union have a profound respect for the Japanese people, who are compelled to bear the yoke of foreign bondage, and they are confident that the Japanese people will achieve the national independence of their country and take the road of peace. (Applause.)

The Soviet policy of peace and security of the nations is based on the premise that the peaceful coexistence and cooperation of capitalism and communism are quite possible, provided there is a mutual desire to cooperate, readiness to carry out commitments, and adherence to the principle of equal rights and noninterference in the internal affairs of other states.

The Soviet Union has always stood for, and now advocates, the development of trade and cooperation with other countries, irrespective of the difference in

social systems. The Party will continue to pursue this policy on the basis of mutual advantage.

The bellicose circles in the U.S.A. and Britain are constantly reiterating that the armaments race alone can keep the industries in capitalist countries running. Actually, however, there is another prospect, the prospect of developing and expanding commercial relations between all countries, irrespective of the difference in social systems. This can keep the industries in the industrially developed countries running for many years to come, can ensure the sale of products of which one country has an abundance to other countries, can help to raise the economy of the underdeveloped countries, and thereby bring about lasting economic cooperation.

In pursuing its peace policy, the Soviet Union is in complete unanimity with the other democratic peace-loving states: the Chinese People's Republic, Poland, Rumania, Czechoslovakia, Hungary, Bulgaria, Albania, the German Democratic Republic, the Korean People's Democratic Republic and the Mongolian People's Republic. The U.S.S.R.'s relations with these countries are an example of entirely new relations between states, not met with before in history. They are based on the principles of equal rights, economic cooperation and respect for national independence. Faithful to its treaties of mutual assistance, the U.S.S.R. is rendering, and will continue to render, assistance and support in the further consolidation and development of these countries. (Loud applause.)

We are confident that, in peaceful competition with capitalism, the socialist system of economy will,

year after year, more and more strikingly demonstrate its superiority over the capitalist system of economy. But we have not the least intention of forcing our ideology, or our economic system, upon anybody. "The export of revolution is nonsense. Every country will make its own revolution if it wants to, and if it does not want to there will be no revolution," says Comrade Stalin.

While unswervingly pursuing its policy of peaceful cooperation with all countries, the Soviet Union, at the same time, takes into account the threat of new aggression on the part of the arrogant warmongers. That is why it is strengthening its defence capacity and will continue to do so. (Prolonged applause.)

The Soviet Union is not afraid of the threats of the warmongers. Our people have experience in fighting aggressors and have learned well how to thrash them. They thrashed the aggressors during the Civil War, when the Soviet state was still young and relatively weak; they thrashed them during the Second World War; and they will thrash them in future if they dare attack our Motherland. (Loud and prolonged applause.)

The facts of the past must be heeded. These facts are that as a result of the First World War Russia fell away from the capitalist system, and as a result of the Second World War quite a number of countries in Europe and Asia fell away from the capitalist system. There is every reason to believe that a third world war will cause the collapse of the world capitalist system. (Prolonged applause.)

That, so to speak, is the prospect of war and its consequences if the warmongers and aggressors force war upon the peoples.

But there is another prospect, the prospect of maintaining peace, the prospect of peace between the nations. This prospect calls for the prohibition of war propaganda, in conformity with the decision of the United Nations; it calls for the banning of atomic and germ weapons and for the steady reduction of their armed forces by the Great Powers; it calls for the conclusion of a Pact of Peace between the powers, for the expansion of trade between countries, for the restoration of the single international market, and for other measures of a similar nature aimed at consolidating peace.

The implementation of such measures will strengthen peace, will rid the peoples of fear of the menace of war, will put a stop to the unprecedented expenditure of material resources on armaments and preparation of a war of extermination and will make it possible to use these resources for the benefit of the peoples.

The Soviet Union stands for the implementation of these measures, for the prospect of peace between the nations. (Loud and prolonged applause.)



The Party's tasks in the sphere of foreign policy:

1) To continue the struggle against the preparation and unleashing of another war; to rally the mighty anti-war democratic front for the purpose of strengthening peace; strengthen the ties of friendship and

solidarity with peace supporters the world over; persistently to expose all preparations for a new war and all the designs and intrigues of the warmongers;

2) To continue the policy of international cooperation and development of business relations with all countries;

3) To strengthen and develop inviolable friendly relations with the Chinese People's Republic, with the European People's Democracies—Poland, Czechoslovakia, Rumania, Hungary, Bulgaria and Albania, with the German Democratic Republic, with the Korean People's Democratic Republic and with the Mongolian People's Republic;

4) Tirelessly to strengthen the defence power of the Soviet state and enhance our preparedness devastatingly to repel any aggressor. (Loud and long continuing applause.)

II

THE INTERNAL SITUATION IN THE SOVIET UNION

Characteristic of the period under review is the further consolidation of the internal situation in the Soviet Union, the growth of the entire national economy and of socialist culture.

In the first two years after the Eighteenth Party Congress our working people continued successfully to carry out the Third Five-Year Plan and thereby further strengthened the Soviet Union. These two years saw fresh achievements in our national economic development.

The peaceful labours of the Soviet people were interrupted by fascist Germany's treacherous attack on the U.S.S.R. A difficult period in the history of the Soviet state began—the period of the Great Patriotic War. In the course of that war the working class, the collective farmers and the Soviet intelligentsia, both at the front and in the rear, displayed a high sense of duty and devotion to their Motherland.

The war terminated in our historic victory and the Soviet Union entered a new, peace period of economic development. In a short space of time, by its own

efforts and with its own resources, without outside assistance, the Soviet Union healed the war wounds in its economy, developed it still further, and exceeded prewar economic indices.

The successes achieved in industrial and agricultural rehabilitation enabled us, already in 1947, to abolish rationing of food and manufactured goods and carry out a currency reform. These measures, coupled with the five successive price reductions on foodstuffs and manufactured goods, raised the purchasing power of the Soviet ruble and raised the material well-being of the working people. In 1950, the ruble was put on a gold base and its exchange rate in relation to foreign currency was increased.

Progress in economic rehabilitation and development enabled the Soviet state to tackle new and important national-economic tasks, including construction of powerful hydroelectric stations on the Volga and the Dnieper, of big shipping and irrigation canals, and the planting of shelter belts over an extensive area.

The historic events in the period under review showed that the Soviet social and political system is not only the best form of organization for promoting the country's economic and cultural development in peacetime, but also the best form for the mobilization of all the forces of the people to repel the enemy in wartime. These events also demonstrated the enormous growth of the political activity of the working people, the further consolidation of the moral and political unity of the Soviet people,

solidly united around the Communist Party, the further consolidation of fraternal friendship of the peoples of the U.S.S.R., and the development of Soviet patriotism.

Our people are firmly determined to continue their devoted labour effort for the good of their socialist Motherland and honourably to carry out the historic task of building communist society. (Loud and prolonged applause.)

1. CONTINUED ECONOMIC PROGRESS IN THE U.S.S.R.

A. Industry

The socialist industrialization of the U.S.S.R. was accomplished under the prewar five-year plans. Our powerful industry served as the basis for the growth of our entire national economy and of the country's preparations for active defence. The correctness of our Party's general line of industrializing the country was strikingly confirmed in the war, and the implementation of that line was of decisive importance for the destinies of the Soviet people and saved our Motherland from enslavement.

Under the trying conditions of war, our Party succeeded in rapidly converting industry to war production. The equipment of all the major industrial enterprises was evacuated from the battle zone to the eastern regions of the country. During the war, the Soviet state was able to muster sufficient strength and means not only rapidly to restart the evacuated enterprises, but also for accelerated con-

struction of new industrial capacities, mainly in heavy industry. Despite the temporary occupation of economically important areas of the country by the fascist invaders, industry, throughout the war, turned out, year after year, ever-increasing quantities of every type of armament and ammunition for the front.

With the end of the war, industry was reconverted from military to civilian production. The task set by the Party was comprehensive and priority expansion of heavy industry, particularly the metallurgical, fuel and power industries, for without heavy industry the rehabilitation and further development of the national economy was impossible. At the same time, the Party devoted special attention to the expansion of consumer goods production in order to raise the living standards of the people.

A certain time was required to regain prewar economic levels. The prewar, 1940, level of gross annual industrial output (in volume) was reached and surpassed in 1948. Coal attained that level in 1947, steel and cement in 1948, pig iron and oil in 1949, footwear in 1950, and cotton textiles in 1951. In other words, the war had retarded our industrial development for eight or nine years, that is, approximately two five-year plans.

Successful industrial rehabilitation and development in the postwar period enabled us to attain much higher output levels than before the war. Here are the figures:

Growth of Industrial Production in the U.S.S.R.
(in percentages of 1940)

	1940	1944	1945	1946	1947	1948	1949	1950	1951	1952 (plan)
All industry	100	104	92	77	93	118	141	173	202	223
Group "A"										
Production of means of production	100	136	112	82	101	130	163	205	239	267
Group "B"										
Production of consumer goods . .	100	54	59	67	82	99	107	123	143	156

The figures show a drop in the industrial production level in 1945 and 1946. This was due to the fact that the production of war material was sharply reduced after the war and reconversion to peacetime production required a certain amount of time. Postwar industrial reconversion was completed, in the main, in 1946, after which output began to climb rapidly, and in 1951 its total volume was more than 100 per cent above 1940. New successes in the development of our industry have been scored in 1952. We know that this year's over-all industrial plan is not only being successfully fulfilled, but overfulfilled, and there is, therefore, every ground for assuming that industrial output in 1952 will be about 130 per cent larger than in 1940.

Development has been especially swift in the industries producing means of production; in 1951 their

gross output volume was 140 per cent above prewar, and in 1952 will be about 170 per cent above prewar. In 1952 we will produce: 25 million tons of pig iron, or about 70 per cent more than in 1940; 35 million tons of steel, or about 90 per cent more than in 1940; 27 million tons of rolled metals, or more than double the 1940 figure; 300 million tons of coal, or over 80 per cent more than in 1940; 47 million tons of oil, or over 50 per cent more than in 1940; 117,000 million kw-h of electricity, or 140 per cent more than in 1940; output of machines and equipment will be more than treble the 1940 figure.

As regards the annual increase of production in the major branches of industry, this increase has been much larger during the past few years than before the war. Thus, in the period 1949-51, that is, after the prewar level of industrial production was not only reached, but exceeded, the increase in pig iron output amounted to 8 million tons, to 13 million tons in steel, and to 10 million tons in rolled metals, whereas before the war it had taken eight years to attain the same increase in pig iron, nine years in steel and twelve years in rolled metals. The increase in the output of coal during the three years mentioned amounted to 74 million tons, and to 13 million tons in oil. Before the war a similar increase in coal output had taken six years, and ten years in oil. The increase in the production of electricity during these three years amounted to 37,000 million kw-h; a similar increase before the war had taken nine years.

Increased production of means of production and of agricultural produce created a reliable basis for the

development of the consumer goods industries. The total volume of output in these industries in 1951 was 43 per cent above 1940, and in 1952 it will be about 60 per cent above 1940. In 1952 we will produce: over 5,000 million metres of cotton cloth, or about 30 per cent more than in 1940; nearly 190 million metres of woollen cloth, or about 60 per cent more than in 1940; 218 million metres of silk fabrics, or 180 per cent more than in 1940; 250 million pair of leather footwear, or about 20 per cent more than in 1940; 125 million pair of rubber footwear, or 80 per cent more than in 1940; over 3,300,000 tons of sugar, or over 50 per cent more than in 1940; over 380,000 tons of factory-made butter (not counting a large quantity of butter made by domestic methods), or over 70 per cent above the prewar output of factory-made butter.

As a result of successful industrial rehabilitation and development in the postwar period, per capita industrial output in the U.S.S.R. is now in excess of the prewar level. Thus, per capita output of electricity in 1951 was more than 100 per cent above that of 1940; the figure for pig iron was 50 per cent, steel 70 per cent, coal 60 per cent, cement more than 100 per cent, cotton textiles 20 per cent, woollen fabrics more than 60 per cent, paper 70 per cent, etc.

During the period under review, particularly in the postwar years, there has been a considerable expansion and strengthening of the production-technical base of our industry, due both to the erection of new enterprises and the reconstruction of existing ones. In 1946-51 alone, out of total capital investments in the nation-

al economy amounting to about 500,000 million rubles, over 320,000 million rubles were invested in industry. About 7,000 large state industrial enterprises were restored or newly built and commissioned in the U.S.S.R. in this period. By 1952 the basic producing facilities of industry had increased 77 per cent compared with 1940.

But it is not only a matter of quantitative increase in basic producing facilities. Characteristic of the past period is also the further technical progress of industry. Unlike the capitalist countries, where there are periodical interruptions in technical development, accompanied by the destruction of the productive forces of society as a result of economic crises, in the U.S.S.R., where there are no such crises, there is a continuous perfection of production based on higher techniques, on the achievements of advanced Soviet science. In the postwar period, all branches of industry have been supplied with new machines and mechanisms; improved technological processes have been introduced and production has been organized on more rational lines. During this period, the number of machine tools in operation increased 120 per cent as a result of the addition of new and more productive machines. In the past three years alone, our machine-building industry has turned out about 1,600 new types of machines and mechanisms.

An important part in promoting further technical progress is played by our science, which, by its discoveries, has helped the Soviet people more fully to reveal and make better use of the riches and forces of nature. Our researchers have in the postwar period

successfully solved numerous scientific problems of great importance for the national economy. A most important achievement of our Soviet science during this period has been the discovery of methods of producing atomic energy. Our science and technology thereby deprived the United States of its monopoly in this field and struck a telling blow at the warmongers, who endeavoured to use the secret of atomic energy and possession of the atomic weapon to bully and intimidate other nations. The Soviet Union possesses practical possibilities for producing atomic energy; it is deeply interested in having this new type of energy used for peaceful purposes, for the benefit of the people; for the use of atomic energy for these purposes expands beyond limit man's power over the elemental forces of nature and creates for mankind colossal opportunities of increasing the productive forces, promoting further technical and cultural progress and of increasing social wealth.

An indication of the signal achievements of Soviet science and technology are the annual awards of Stalin Prizes for outstanding scientific research, inventions and fundamental improvements in production methods. The honourable title of Stalin Prize winner has been conferred on 8,470 workers in science, industry, transport and agriculture.

An important result of our industrial development in this period has been the rapid growth of industry in the eastern regions of the U.S.S.R., and this has considerably altered the geographical distribution of our industries. A powerful industrial base has been built up in the eastern regions—in the Volga country,

in the Urals, in Siberia, in the Far East, in the Kazakh S.S.R. and in the Union Republics of Central Asia. By 1952, the total volume of industrial output in these areas had increased threefold compared with 1940. In 1951, the eastern regions accounted for nearly a third of the Soviet Union's aggregate industrial output, for over a half of its output of steel and rolled metals, for nearly a half of the coal and oil output, and for over 40 per cent of the electricity output.

Such are the main results of industrial development in the U.S.S.R. during the period under review.

The tasks in industrial development in the next few years are set forth in the draft directives for the Fifth Five-Year Plan of development of the U.S.S.R., which are being submitted for the consideration of this congress. These tasks are to raise the level of industrial production in 1955 to about 70 per cent above that of 1950, with production of means of production increasing approximately 80 per cent and production of consumer goods approximately 65 per cent. These production targets mean that in 1955 the total volume of industrial output will be three times that of 1940.

The Fifth Five-Year Plan marks another big step forward along our country's road of development from socialism to communism. (Loud applause.)

Our industry has every possibility of carrying out the tasks set. Today, all branches of industry are equipped with perfected machinery, they have cadres of skilled workers, engineers and technicians, and our factories do not experience a shortage of raw

and other materials. The task now is to use these opportunities to the best advantage, resolutely to eliminate defects in the work, bring to light untapped reserves in industry and to convert them into a powerful source making for a further advance of the national economy.

Every year industry not only fulfils but overfulfils the state plan. But behind the general indices of good work performed by industry as a whole there lurks the bad work of many enterprises which fail to meet state assignments, with the result that our national economy is not receiving a certain quantity of goods. The Ministries concerned, however, do not take proper measures to secure plan fulfilment by every enterprise. Instead, they often transfer assignments from inefficient plants to more efficient ones. In other words, inefficient plants live at the expense of the efficient ones.

One of the chief reasons for the failure to fulfil state plans is the uneven output over the month. The Party has time and again drawn the attention of our industrial executives to this defect. Nevertheless, many enterprises continue to work in jerks, as it were, and fulfil almost half of their monthly production programs in the last ten days of the month. The result is that machines and equipment are not used to full capacity, overtime has to be worked, there is an increase in rejects, and the work of cooperating plants is disorganized.

Some plants, in order to fulfil their gross production plan, resort to the practice, detrimental to the state, of extra-plan production of secondary items,

while failing to meet assignments for production of major items listed in the state plan.

In a number of industries government quality standards are being violated. Cases are on record of customers being supplied with articles and goods of bad quality, which fail to come up to the established standards and technical requirements. Machine-building plants not infrequently launch on the production of machines the designs of which have not been fully worked out, and which do not meet performance standards. In the light industries the proportion of lower quality output is still considerable. All this means a loss to the national economy.

We cannot resign ourselves to such defects in the work of industry. The state plan is law. It is the duty of every enterprise to meet the assignments set by the state and to supply our national economy with the goods it needs. It is the duty of industrial executives and Party organizations to ensure the fulfilment of the plan by every enterprise, not only as regards gross volume of output, but also, without fail, as regards output of all items indicated in the state plan. They must secure a systematic improvement in the quality of the goods produced and bring to light and completely eliminate the hindrances to normal operation of the enterprises.

Special attention must be paid to securing a further all-round increase in labour productivity in every industry.

At all stages of the building of socialism our Party has striven unswervingly to secure a systematic increase in labour productivity as a major condi-

tion for the growth and perfection of socialist production. It is chiefly thanks to this that enormous successes have been achieved in our industrial development. Labour productivity in industry increased 50 per cent between 1940 and 1951. Seventy per cent of the increase in industrial output during this period was obtained as a result of higher labour productivity. In the same period, labour productivity in the building industry increased 36 per cent.

The rapid growth of labour productivity in the U.S.S.R. is primarily the result of the extensive introduction in our national economy of new machines and advanced technological processes, the result of the mechanization and electrification of production, particularly mechanization of laborious processes and heavy work. It is also due to improved organization of labour, the rise of the educational and cultural level of the working people and the improvement in professional skills. The socialist system of economy provides unlimited scope for the employment of the most up-to-date machines. In the U.S.S.R., machines not only save labour but also lighten it. As a result, under the socialist system of production the workers welcome the introduction of new machines, which is not the case under the capitalist system. The Soviet worker is directly interested in raising labour productivity, for he knows that this enhances the economic might of the U.S.S.R. and raises the living standards of the working people. The unity of interests of the state and the people is the basis of the high productivity of social labour under socialism.

But far from full use is made of the potentialities our industry offers for increasing labour productivity. This is borne out, first of all, by the failure of many enterprises to fulfil their plan assignments as regards labour productivity. It must be pointed out that the Ministries do not pay sufficient attention to this important matter. Instead of securing plan fulfilment as regards labour productivity by every enterprise, the Ministries are often content with the average indices achieved by the particular branch of industry as a whole and fail to take proper measures to raise the backward enterprises to the level of the efficient ones.

In many enterprises increase in labour productivity is retarded by insufficient use of mechanical equipment, and there have been cases of equipment being handled in a careless and wasteful way. This cannot be tolerated. The mechanization of production must in every enterprise result in the release of a section of the workers so that they can be employed for expanding production in the given enterprise or for work in new enterprises. However, some industrial managers, instead of seeing to it that mechanical equipment is properly utilized and helps to increase labour productivity, often resort to outmoded work methods and make wide use of hand labour.

Another serious defect in the mechanization of production is failure to mechanize the process throughout—some sections are insufficiently mechanized, or not mechanized at all. In many plants, while major production processes are highly mechanized, auxiliary processes are poorly mechanized. This in-

cludes such labour-consuming operations as hauling, loading and unloading of raw and other materials and finished goods. This tends to reduce the general economic effect of mechanization and disturbs the normal course of production.

The increase in labour productivity is also retarded by inefficient labour organization in many enterprises and on building jobs, resulting in a considerable waste of working time. The Ministries often fix the number of workers for enterprises and building jobs without sufficiently studying actual requirements, and without verifying whether the workers are properly employed. In plants, and particularly on building jobs, there is still fluctuation of labour, and this has a very detrimental effect on production.

The establishment of proper output rates is an important factor in raising labour productivity. Yet in many plants the position in this respect is unsatisfactory. The low, so-called experimental-statistical rates still predominate. These do not correspond to the present-day technical levels, do not take into account the experience of the advanced workers, and do not act as an incentive to higher productivity. Experimental-statistical rates are still widely applied, and in many enterprises they constitute more than 50 per cent of all the output rates in operation.

The task of Party, economic and trade union organizations is quickly to eliminate the hindrances to the growth of labour productivity and to see to it that the assignments for increased productivity are fulfilled and overfulfilled in all branches of the national economy, in every factory, and in every produc-

tion unit. We must resolutely eliminate defects in the use of the wealth of machines that we possess and perseveringly work for all-round mechanization and automatization of production processes; we must more widely introduce the latest achievements of science and technology in all branches of the national economy, systematically improve the forms and methods of organizing labour and production, and make more efficient use of man power.

Comrades, our industry is growing, developing and becoming mightier and technically more perfect. We shall continue to develop to the utmost the productive forces of our socialist industry—the basis of our country's might and of the heightened material well-being of its people. (Loud and prolonged applause.)

B. Agriculture

By the beginning of the period under review, i.e., at the time of the Eighteenth Party Congress, the collective-farm system in our country had taken firm root, the collective farms had been consolidated and socialist farming was firmly established as the sole form of agriculture.

The war temporarily held up the development of agriculture and inflicted great damage upon it, particularly in the occupied areas, where the collective farms, machine and tractor stations and state farms were wrecked and plundered by the Hitlerite invaders. But the enormous wartime difficulties notwithstanding, the collective and state farms in the eastern

regions kept up an uninterrupted supply of food for the army and the population, and of raw materials for light industry. We would never have accomplished this extremely difficult task, were it not for the collective-farm system, the self-sacrificing labour of the collective farmers, men and women, their high political consciousness and organization.

Return to peacetime construction confronted the Party with the task of quickly rehabilitating and developing agriculture. It has been the Party's special concern in these postwar years to consolidate the collective farms organizationally and economically and help them to rehabilitate and further develop their collective husbandry, in order, on this basis, to advance the material welfare of the collective-farm peasantry. The amalgamation of small collective farms into large ones was an important step in increasing the productive forces of agriculture, since collective husbandry can be more successfully enlarged and improved on big farms. At the present time we have 97,000 amalgamated collective farms instead of the 254,000 small collective farms in existence on January 1, 1950.

As a result of the measures adopted by the Party and the government, the difficulties created by the war and by the severe drought of 1946 were successfully overcome; prewar output levels in agriculture were regained and exceeded in a short space of time.

Prewar crop areas were quickly restored; per hectare yields and total harvests of grain, industrial and fodder crops, melons, vegetables and other plants,

were increased. The over-all 1952 crop area is 5,300,000 hectares more than before the war.

The prewar gross grain crop was reached in the third year after the war; its increase in subsequent years was attended by a large increase in the amount of grain available for the market. This year, 1952, the gross grain crop amounted to 8,000 million poods (loud applause); and the gross crop of wheat, that most important food grain, was 48 per cent above 1940. (Applause.)

The grain problem, which in the past was regarded as our most acute and gravest problem, has thus been solved, solved definitely and finally. (Loud and prolonged applause.)

The postwar years have seen a particularly rapid development of cotton and sugar-beet output: the gross cotton crop in 1951 was 46 per cent and the gross sugar-beet crop was 31 per cent above the prewar level, and this year's harvest of these extremely important crops is bigger still. The prewar level has been exceeded in the output of oil-bearing crops, potatoes, and fodder crops. Already in 1951, the gross harvest of rich fodder crops (root crops, fodder melons and silo crops) was 25 per cent above 1940. There has been a substantial increase in the production of flax, vegetables, melons, etc., in the postwar period. However, owing to the insufficient attention paid by Party, Soviet and agricultural organizations to the cultivation of these needed crops, their production in a number of regions has not yet reached prewar. This year, as in past years, the state plans for the purchase of grain, cotton, sugar beet, oilseed, pota-

atoes, vegetables and other agricultural produce, and also of animal produce, are being successfully fulfilled.

Our agriculture is gaining in efficiency, is becoming more productive and is turning out ever-larger quantities of produce for the market. This extremely important feature in our agricultural development must be understood and appreciated. Now that we have successfully solved the grain problem we can no longer appraise progress in agriculture by the old gauge alone of how much grain has been produced. As is evident from the figures cited above, in addition to progress in grain production, we have made important progress in developing the production of cotton, sugar beet, oil-bearing crops, fodder crops and other agricultural produce. Our agriculture has undergone a qualitative change; today it differs fundamentally from the old, extensive agriculture with its low productivity. Whereas in 1952, the over-all crop area in the U.S.S.R. is 40 per cent larger than in 1913, and the total grain-crop area 5 per cent larger, the area under industrial, vegetable and melon crops is 140 per cent above 1913, and the increase in fodder crop area is more than elevenfold. Industrial crops now account for over 40 per cent of the aggregate value of marketed field crops. Hence, it would be a great mistake to appraise our successes in agriculture only by the level of grain production.

Much attention has been devoted since the war to supplying agriculture with new-type machinery, without which speedy agricultural rehabilitation and development would have been impossible. During this period large numbers of new and improved diesel-

driven caterpillar tractors, self-propelled combine harvesters, mowing machines, beet combine harvesters, flax combine harvesters, cotton-picking and other highly efficient machines have been put to work. The total capacity of the tractors in machine and tractor stations and state farms is 59 per cent and that of combine harvesters 51 per cent, above prewar. Agriculture has been supplied with many new machines for mechanizing labour-consuming operations in livestock farming. In connection with the considerable expansion of mechanization in agriculture and forestry in the postwar period, the network of machine and tractor stations has been enlarged, and a large number of special-purpose stations has been organized for the mechanization of shelter-belt planting, for the mechanization of land reclamation and the improvement of meadows and pastures, for the mechanization of labour-consuming operations in livestock farming. The new stations number 1,546, and this brings the total of machine and tractor stations and of the new specialized stations now in operation to 8,939.

Postwar progress in agricultural development paved the way for the solution of still bigger problems. The interests of our national economy and the task of continuously improving the well-being of the Soviet people demand a still further increase in the output of farm produce. The draft directives for the Fifth Five-Year Plan provide for the following increases in aggregate crops over the five year period: grain 40-50 per cent, with a 55-65 per cent increase in wheat; cotton 55-65 per cent; flax fibre 40-50 per cent; sugar beet 65-70 per cent; sunflower seed

50-60 per cent; potatoes 40-45 per cent, and fodder crops approximately 100-200 per cent.

Now that the prewar crop area has been reached and exceeded, the only correct course to follow in raising agricultural output is to increase per hectare yields to the utmost. Advancing harvest yields is the chief task in agriculture, and to achieve it we must increase the efficiency and speed of field operations, make more efficient use of tractors and agricultural machines, complete the mechanization of the principal operations in agriculture, ensure the speediest organization of crop rotation and the planting of perennial grasses in the collective and state farms, improve seed cultivation, make proper soil cultivation universal, increase the use of fertilizers, and enlarge the area of overhead irrigation. We must enhance the organizing role of the machine and tractor stations in the collective farms, make the stations bear more responsibility for the fulfilment of per hectare yield and aggregate crop plans, and for the development of livestock farming.

Our agriculture must become still more productive and efficient; it must develop grass planting and proper crop rotation, and the cultivation of industrial and feed crops, potatoes and vegetables, must play a larger part in it than hitherto.

In the postwar period, with the significant advances in field farming, the central task of the Party and government in agricultural development has become maximum promotion of livestock raising. From July 1945 to July 1952, the total number of cattle in the U.S.S.R. increased by 13,400,000; sheep by 41,800,000, pigs—21,200,000 and horses—5,600,000. The prewar,

1940, cattle population, in all categories of farms, was reached in 1948; in sheep the prewar figure was reached in 1950, and in pigs this year. In order to put the production of animal products on a firm foundation, the Party centred particular attention on the development of commonly-owned collective-farm and state-farm productive livestock husbandry. Today, livestock husbandry in the collective farms, together with that in the state farms, is predominant, both as regards number of animals and output of animal produce. The gross output and the proportion available for the market of meat, milk, butter, eggs, wool and hides in the U.S.S.R. as a whole has surpassed the prewar level. (Applause.)

A further substantial rise in livestock farming is necessary to meet the growing requirements of the population in animal products and of light industry in raw materials. The draft directives for the Fifth Five-Year Plan envisage an 18-20 per cent increase in the number of large horned cattle during the five years, with a 36-38 per cent increase in commonly-owned cattle in collective farms; the increase in sheep will be 60-62 per cent (75-80 per cent in the collective farms); pigs—45-50 per cent (85-90 per cent in the collective farms); horses—10-12 per cent (14-16 per cent in the collective farms); poultry in collective farms will increase 200-250 per cent. The draft directives also provide for the following output increases: meat and fats—80-90 per cent, milk—45-50 per cent, wool—100-150 per cent, eggs (in collective and state farms)—500-600 per cent.

The main task in the development of livestock

farming continues to be that of increasing the number of commonly-owned livestock in collective and state farms with a simultaneous considerable rise in productivity. This requires that we build up a reliable fodder base in all collective and state farms, provide proper cattle barns, and extensively mechanize livestock farming operations. Livestock farming must be made highly productive, it must provide an abundance of produce for the market and bring in high returns. The work of improving the quality of collective- and state-farm cattle must be intensified, rapid propagation of existing high-productive strains ensured, and new strains started. Livestock farming can develop on sound lines only if the increase in flocks and herds is properly combined with mass improvement of quality and higher productivity.

The state farms have gained considerably in scope and strength since the war. They are cultivating a far larger area than they did before the war; their herds are larger, and they are turning out a larger quantity of agricultural produce. There are, however, grave defects in the work of the state farms. One serious defect in the work of a sizable section of state farms is the high production cost of grain, meat, milk and other produce. The state farms must continue to increase the proportion of marketable produce and bring down production costs substantially. This they can achieve by developing diversified farming, improving the organization of production, introducing the combined mechanization of labour-consuming operations, and by increasing harvest yields and livestock productivity.

Irrigation and shelter-belt planting are important factors in the continued development of agriculture. Already before the war, many large irrigation systems, equipped with modern machinery, were built and existing systems overhauled. The result was a 50 per cent increase in effective irrigated area in the Central Asian Republics and other parts of the U.S.S.R., and this enabled us to accomplish so momentous a task as substantially increasing cotton output. Work was likewise begun on the planting of shelter belts.

The construction of irrigation canals and shelter-belt planting were launched on an even bigger scale after the war. Large irrigation systems are now under construction in the Transcaucasian Republics, and in the next few years, when they are completed, the effective irrigated area here will be increased by 50 per cent and more. In 1947 work was begun on the irrigation of the highly fertile but drought-affected areas in the central black-earth zone—the Kursk, Orel, Voronezh and Tambov regions—the aim being to attain stable harvests of grain, industrial and other crops. In 1948 extensive work was started on the planting of large national forest shelter belts in the steppe and forest-steppe areas of the European part of the U.S.S.R., of shelter belts in collective and state farms, and on the construction of ponds and reservoirs. In the past three and a half years, the collective farms, state farms and forestries have afforested 2.6 million hectares and have built over 12,000 ponds and reservoirs. In excessive humidity areas, primarily in Byelorussia and the Baltic Republics, extensive work

is now in progress, as before the war, for the draining of marshes and bogland.

Construction of the huge hydropower plants and irrigation systems on the Volga, the Don, the Dnieper and the Amu Darya and the commissioning of the Lenin Volga-Don Shipping Canal open up immense prospects for agricultural development. These power plants and water systems will irrigate over 6 million hectares and supply water and sectional irrigation to grazing land on another 22 million hectares. Vast opportunities are thus created for the electrification of agriculture, for the introduction of electrical ploughing, electrical-powered combines and other electrical agricultural machinery.

Large-scale construction of irrigation canals goes hand in hand with the introduction of a new system of irrigation. Under it, the irrigated plots are much larger, the field irrigation ditches are more rationally arranged and the number of permanent irrigation canals in the fields reduced, their place being taken by temporary canals. This makes it possible more fully to utilize irrigated areas and irrigation water, and creates better conditions for the mechanization of irrigated agriculture.

The completion of these broad irrigation schemes, the planting of shelter belts and the draining of bogland, are raising our agriculture to a higher plane, and our country will be guaranteed, once and for all, against any fortuities of the weather. (Applause.) The task now is to complete the irrigation, shelter-belt and drainage projects in the appointed time, and Party, Soviet and economic organizations must concentrate special attention on this.

Very important, too, are the measures taken to raise harvest yields in the non-black earth belt of the European part of the U.S.S.R. We know that there are rich potentialities in this belt for successfully developing agriculture and livestock farming because the climate is favourable and moisture abundant. Yet harvests here are still low, and to obtain high and stable harvests we must, first of all, organize on a wide scale the chalking of sour soils, simultaneously with the application of sufficient quantities of organic and mineral fertilizers, boost grass planting and improve cultivation methods.

Our Party, Soviet and agricultural organizations have, in their work of rehabilitating and developing agriculture in the postwar period, improved their direction of the collective farms, machine and tractor stations and state farms. But there are still mistakes and shortcomings in this work.

What are these mistakes and shortcomings in the direction of agriculture, and what tasks arise in this connection?

First of all, it must be noted that some of our leading workers, especially in connection with the amalgamation of the small collective farms, displayed a wrong, consumer, approach to questions of collective-farm development. What they suggested was that the population of the villages be congregated, en masse and in a brief space of time, in large collective-farm townships, that all the old collective-farm buildings and the homes of the collective farmers be demolished and that big "collective-farm settlements," "collective-farm towns" and "agrotowns" be built on

new sites. This they regarded as the key task in the organizational and economic consolidation of the collective farms. The mistake these comrades made was to forget the major production tasks of the collective farms, and give prominence to tasks that derive from them, to consumer tasks connected with welfare amenities in the collective farms. These tasks are, undoubtedly, important, but all the same they are derivative, subordinate, and not major tasks, and they can be carried out successfully only if collective production is further developed. Forgetting, or belittling, the major production tasks may place all our practical work in the rural areas on a wrong track, may hinder the further development of the collective farms and injure these very welfare amenities as well as the whole of our work of socialist construction. The Party took timely measures to correct these mistaken tendencies in collective-farm development. It is the duty of the Party, Soviet and agricultural organizations to continue to devote constant attention to strengthening and developing the common husbandry of the collective farms, which is the main source of strength of these farms, and thus ensure an increase in the production of produce for the market and a further improvement in the material and general welfare of the collective farmers.

It must be further noted that the practice of setting up auxiliary enterprises for making bricks, tiles and other manufactured goods has become widespread in many collective and state farms. Experience has shown that this raises the cost of building materials and manufactured goods, and what is most important,

it distracts the collective and state farms from the problems of agricultural production and hampers agricultural development. This mistake must be rectified and all the efforts of the collective and state farms concentrated entirely on further developing diversified farming, and on making the fullest use of their economic potentialities and natural conditions for a maximum increase in the output of grain, cotton, sugar beet, flax, potatoes, meat, milk, eggs, wool, vegetables, fruits, tea and other agricultural produce. As for building materials and other manufactured goods, our state industry and producers' cooperatives are in a position to supply the collective and state farms with all these things at lower cost, and it is their duty to do so.

Further, it must be admitted that there are still cases of collective-farm property being squandered and of other violations of the Rules of the Agricultural Artel. Instead of safeguarding the common husbandry of the collective farms, some Party, Soviet and agricultural officials themselves engage in filching collective-farm property. They grossly violate the Soviet laws and act in an arbitrary and unlawful way with regard to the collective farms. Taking advantage of their official positions, these men convert to their own use common land, compel collective-farm boards and chairmen to supply them with grain, meat, milk and other produce at low prices, and even gratis, to exchange highly productive and more valuable cattle for their own inferior cattle and so forth. All these actions are detrimental to the collective farms and the state, cause serious damage to the collective-farm peasantry, hinder the further organiza-

tional and economic consolidation of the collective farms and undermine the prestige of the Party and the Soviet state. We must resolutely put a stop to violations of the Rules of the Agricultural Artel and with all the severity of the laws of the socialist state punish those who are guilty of filching collective-farm property as enemies of the collective-farm system.

Further, it must be noted that Party, Soviet and agricultural organizations fail to pay sufficient attention to important questions, such as the organization of labour in the collective farms. Some leading workers, we know, took a wrong line on this question, setting up in the collective farms isolated work teams and abolishing the production brigades. In practice this meant hindering the mechanization of grain farming and weakening the collective farms. The rectification of these mistakes and distortions enabled us considerably to improve the organization of labour in the collective farms and to strengthen the production brigades. Nevertheless, there are still grave defects in this sphere. In many collective farms the composition of the production brigades is not permanent; the brigades are not credited with the implements they use, which means that no one is actually responsible for them; much working time is lost through mismanagement, and this reduces the labour productivity of the collective farmers and delays the performance of agricultural operations. It is the duty of Party, Soviet and agricultural organizations to devote daily attention to the improvement of the organization of labour in the collective farms. More progressive rates of distribution of collective-farm incomes must be in-

roduced, so that the number of workday units credited to each collective farmer shall be determined by the actual amount of agricultural produce raised by him, his brigade or team. This will greatly stimulate the growth of labour productivity, completely eliminate equalization, and help still further to enhance the value of the workday unit.

It must also be pointed out that the guidance of agriculture still suffers from a stereotyped, formal approach to the solution of many practical problems. Leading workers in Party, Soviet and agricultural organizations often ignore specific local conditions and issue standard instructions to all districts, collective farms, machine and tractor stations and state farms on farming methods, livestock farming, organization of labour and other agricultural questions. Such instructions may be correct and necessary for some districts and farms, but often prove to be useless, even harmful, for others. There are still many leading workers in Party, Soviet and agricultural organizations who form their opinion about agriculture, and try to direct it, on the basis of what are called average indices. They gauge harvest yields on the basis of average figures, and livestock productivity on this basis too. But if one is content with average figures one cannot see the backward districts, collective farms and state farms where things are not going well, and one cannot take timely and effective measures to render them the necessary assistance. On the other hand, average figures prevent one from seeing the districts, collective farms and state farms that have made good headway and for which assignments based on average

indices are not an incentive. On the contrary, these indices pull them back, retard their development.

Finally, we must point to the existence of grave defects in the matter of introducing the achievements of science and of advanced practice in agriculture. We have many advanced collective farms, machine and tractor stations and state farms; we have thousands of front-rank collective farmers who are creatively applying the achievements of science, who obtain big results in increasing per hectare yields and livestock productivity. Nevertheless, the propaganda of advanced practice and its introduction in the work of the collective and state farms are still unsatisfactory. Our agronomic science has made a great contribution to the development of agriculture. Anti-scientific, reactionary ideas in agricultural science have been exposed and defeated; this science is now developing on the only correct basis, the materialist Michurin basis, and is placing in the hands of our workers effective tools for the development of agriculture. But although it has many achievements to its credit, agricultural science is still lagging behind the requirements of collective and state-farm production. The socialist system of agriculture provides wide scope for science, enables the achievements of science and of advanced practice to be widely and quickly disseminated, to be brought within the reach of all collective farms, machine and tractor stations and state farms. It is a major duty of Party, Soviet and agricultural organizations to do everything to promote the creative initiative of scientific and practical workers, to increase the number of front-rank workers in

agriculture and in livestock farming, to encourage everything that is advanced and progressive, and more quickly to introduce the achievements of science and of advanced practice in all branches of collective and state-farm production.

Comrades, we all rejoice at the immense growth of our socialist farming. Our agriculture and livestock raising are now undergoing a new powerful upsurge. There can be no doubt that within the next few years our collective farms, machine and tractor stations and state farms, supplied with a wealth of machines, will have still greater achievements in developing agriculture, and our country will have an abundance of food for the people and a plentiful supply of raw materials for our rapidly growing light industry. (Prolonged applause.)

C. Trade, Transport and Communications

Industrial and agricultural development have gone hand in hand with expanding trade. State and cooperative trade increased 190 per cent in the postwar period and now far exceeds the prewar level. Sales by state and cooperative stores increased in 1951, compared with 1940, as follows: meat and meat products 80 per cent; fish and fish products 60 per cent; butter 80 per cent; vegetable oil and other fats nearly 100 per cent; sugar 70 per cent; textiles 80 per cent, and footwear 50 per cent. There has been a large increase in the number of state and cooperative retail stores; a larger assortment of goods is being sold, and the quality of the goods has improved. There are

still, however, many serious defects in the sphere of trade. Trading organizations still fail to study consumer demand properly, do not always properly distribute stocks among the various regions and republics; service of customers is still poor in a number of places. The task is speedily to eliminate these defects and to raise Soviet trade to a new, higher plane. The draft directives for the Fifth Five-Year Plan provide for an increase in state and cooperative retail trade by the end of the five-year plan period of approximately 70 per cent above that of 1950.

The increase of production and trade has been accompanied by an increase in transport facilities and traffic volume.

During the Great Patriotic War our transport system, and primarily the railways, successfully coped with the difficult task of transporting war supplies and also of meeting the transport needs of our national economy. In the postwar period, transport in all its forms not only reached the prewar level but far exceeded it. This year railway freight traffic is approximately 80 per cent, river and marine freight traffic 60 per cent, automobile freight traffic 210 per cent and civil air freight traffic 820 per cent above that of 1940. Average daily carloadings on the railways are now approximately 40 per cent above 1940.

Today, every branch of the transport system has a more powerful technical base. The carrying capacity of the main railways has been increased by the restoration of existing second tracks and the laying of new ones, the expansion of railway sidings, the in-

production of heavy rails, the extension of automatic signalling, and other measures. New railways have been built and put into operation. Work has been continued on the electrification of heavy-traffic lines. The number of engines and cars has been increased substantially; most of the new railway stock consisting of powerful locomotives and large freight cars.

As regards water transport, by 1951, 23,000 kilometres of new waterways had been added to those in operation in 1940. The marine and river transport systems have been supplied with new freight and passenger vessels. The degree of mechanization of loading and unloading operations is considerably greater than in 1940: the figures for 1951 show an increase of 83 per cent in river transport and 90 per cent in marine transport.

Motor transport has been supplied with improved types of trucks and passenger cars. The total length of improved motor roads is today 210 per cent above 1940.

During the postwar period communication facilities—post, telegraph, telephone and radio—have been further extended. The national telephone and telegraph network has been enlarged and the telephone capacities in the cities increased. Today all district centres have telephone and telegraph communication with the regional centres, and telephones have been installed in nearly all village Soviets and machine and tractor stations. The radio receiving network is now almost twice as large as in 1940. The volume of postal correspondence has grown considerably and air-mail line mileage has gone up 150 per cent.

However, alongside of achievements, the transport and communication systems have serious defects. Many railway, shipping and motor lines are not meeting their loading and carriage plans. Time losses in loading and unloading operations on the railways and in shipping are still great. Economically irrational and excessively long railway hauls have not yet been eliminated. Motor transport is still badly organized, with many trucks laid up in the depots and many empty runs. One of the defects in the communication system is that its various agencies are not properly servicing our national economy and the population at large.

The work of every branch of the transport and communication systems must be further developed and perfected; transport facilities must be taken care of and kept in good condition; the technical base in all branches of transport must be expanded and strengthened. The work of the post, telegraph and telephone services must be improved in every way.

D. Economy—a Key Factor in Further Economic Development

The national economy of the U.S.S.R. is being developed with its own resources, through its internal sources of accumulation. Hence, our Party has always devoted, and now devotes, great attention to the exercise of the strictest economy which it regards as a major condition for accumulation within our national economy and for the proper employment of the accumulated funds. The exercise of economy as

a method of socialist economic administration played an important part in the country's industrialization. It acquires even greater importance today, when our national economy is making a new powerful advance, and when, at the same time, the prices of consumer goods are being systematically reduced. The more fully and rationally we utilize our production resources, the more thriftily and prudently we conduct our national economy, the greater will be the success we shall score in developing all branches of our economy, and the greater will be the results we shall achieve in raising the material and cultural standards of the people.

There are, however, grave defects in the matter of mobilizing and properly utilizing the internal resources of our national economy.

First of all I must point to the considerable waste and unproductive expenditure that goes on in industry. In a number of industries things are still unsatisfactory in regard to utilization of production capacities. Many Ministries measure the capacity of enterprises by the "bottlenecks" in production, and not infrequently calculate capacities on the basis of lowered equipment productivity rates. The amount of labour per item is calculated without regard for advanced techniques and improved methods of labour organization. Instead of increasing output by making better use of the internal resources of enterprises, Ministries not infrequently request the government to invest capital in the erection of new enterprises. In many enterprises there is considerable loss due to mismanagement and wasteful expenditure of materials,

raw materials, fuel, electricity, tools and other material values, and often established expenditure quotas are violated. Not enough use is made of full-value substitutes. Rejects are still very considerable. In 1951, for example, waste and unproductive expenditure in the enterprises under the jurisdiction of the various Union Ministries amounted to 4,900 million rubles, of which 3,000 million rubles was due to rejects.

As a result of the unsatisfactory utilization of production capacities and the considerable waste due to mismanagement, many plants fail to fulfil their assignments in respect to reduction of cost of production and greatly exceed the established limits of expenditure. There are cases of enterprises committing grave infringements in planning cost of production. Some economic executives, prompted by their narrow-departmental interests, to the detriment of the interests of the state, artificially create "reserves" in their cost of production plans by providing for excessive rates of expenditure of raw and other materials and unjustifiably magnifying the estimate of labour required per item. The fact that some plants plan production costs in this manner, which is inimical to the interests of the state, shows that the Ministries concerned do not properly control this aspect of the work. Instead of making a thorough study of the conditions of production at each enterprise and taking the necessary measures to ensure a systematic reduction of production costs, these Ministries sanction the planning of production costs without verifying and endorsing the calculations in these plans.

Further, it must be pointed out that economy is especially lax in the building industry. Building expenses are still far too high, and executives in the building industry are much behind industrial executives in reducing production costs. There are grave defects in the organization of building operations—mechanization is not sufficiently employed, productivity of labour is low, there is a wasteful expenditure of materials, and overhead expenses are unduly high. A serious defect in capital construction is the diffusion of forces and resources among numerous building organizations, a large number of which are small organizations which do not make effective use of mechanization. All this sends up the cost of building operations, leads to the inflation of management staffs and to high overhead expenditure. In 1951, for example, overhead expenditure in excess of established norms amounted in the building industry to more than 1,000 million rubles, and instead of a profit of 2,900 million rubles, as provided by the plan, the building organizations have this year incurred a loss of 2,500 million rubles.

Further. There is considerable waste and unproductive expenditure also in agriculture. Agriculture is now supplied with much more machinery than it had before the war, but there are serious defects in the utilization of tractors and agricultural machines. At many machine and tractor stations and state farms insufficient care is taken of the tractors and machines and, as a result, they wear out too soon and there is a considerable overexpenditure on repairs. There are cases of big overexpenditure of fuel and lubricants.

All this raises the cost of tractor operations. There is still mismanagement at many machine and tractor stations and collective and state farms. Owing to bad organization the harvest is not fully gathered and there are considerable losses; not sufficient care is taken of collective-farm property. In many collective farms inadequate care is taken of cattle, with the result that cattle losses are high and livestock productivity low.

There is also considerable waste and unproductive expenditure in the transport system. Many railway, shipping and automobile lines are guilty of overexpenditure of funds and suffer losses as a result of mismanagement, of failure to carry out freight plans, long stoppages of railway cars, ships and trucks, and overexpenditure of fuel. There are still numerous cases of neglect of rolling stock, ships and motor vehicles, involving heavy losses for the state.

Furthermore, overhead costs are extremely high in the purchase, warehousing and sale of agricultural produce; trading costs are great. The staffs of purchasing, trading and marketing organizations are unduly inflated. Both at the centre and in the localities there is a large number of purchasing and marketing organizations, often engaged in the buying and selling of the same products and raw materials. Owing to defects in planning of purchases and sales, goods are sometimes irrationally transported over excessively long distances. High overhead costs in the purchase, warehousing and sale of agricultural produce result from the fact that the Ministries in charge of the purchasing and selling organizations do

not pay sufficient attention to reducing overhead costs, and do not verify the cost of purchasing operations. This absence of supervision on the part of the Ministries creates opportunities for all sorts of abuses, it enables the purchasing organizations to put all losses and waste to the account of purchasing expenditure and thereby to cover up their mismanagement. The absence of proper order and economy in the organization of purchases, supplies and sales involves the state in losses amounting to several thousand million rubles.

Lastly, administration and management costs are still high. During the past few years there have been repeated reductions of staffs in a number of departments of state administration. This, however, was carried through from above, by administrative order. Reduction of expenditure on the maintenance of administrative and management staffs has not yet become a matter of day-to-day concern for the heads of departments and organizations. Many Ministries and government departments permit the maintenance of supernumerary staffs. The staffs of regional, city and district administrations and organizations are also excessive.

Experience shows that the improvement of the work of administrative and management staffs, and also the improvement of the organization of buying and selling operations, lead, and will lead in the future, to the release of a part of the employees. It is the duty of economic and Party organizations to make proper use of them for the further development of our national economy. The Ministries concerned, the

Ministry of Labour Reserves, Party and trade union organizations must see to it that these people acquire the necessary skills, so that they may be employed in those branches of our economy the development of which calls for additional personnel.

The wasteful expenditure of material, financial and labour resources, cases of which have occurred in all branches of the national economy, shows that many executives have forgotten about the necessity of exercising economy, that they take no measures to secure the rational and economical expenditure of state funds, take no measures to improve the financial and business activities of the enterprises and departments under their control, while Party organizations fail to note these defects and do not correct such executives.

The task is to put a stop to the indifference of economic executives and Party organizations to cases of mismanagement and waste. Questions connected with the exercise of the strictest economy must always be the focus of attention in all our economic and Party activities. We must work constantly to train in our Soviet people an attitude of thrift and solicitude for public, socialist property. We must eradicate all extravagance in the expenditure of materials, labour and financial resources, and systematically ensure the fulfilment and overfulfilment of production costs reduction assignments. We must intensify the struggle against mismanagement, sharply reduce overhead costs in industry, in the building industry, transport, agriculture, trade, in purchasing and marketing organizations, and radically simplify

the state and economic apparatus and reduce the cost of maintaining it. The financial authorities must more strictly supervise the fulfilment of economic plans and the exercise of economy, utilizing for this purpose the financial controls at their command. Our economic executives must learn to perfection the art of socialist management. It is their duty to improve their knowledge of technology and economics, to systematically improve methods of production, to search for, find and use the untapped reserves latent in our national economy.



Of enormous importance for the fulfilment of our economic development plans is the further expansion of socialist emulation. The Party has always devoted great attention to the organization of emulation, and believes that the chief thing in socialist emulation is to induce the more backward workers to strive to catch up with the best workers. In our society, the force of example at work plays an immense role in every sector of socialist construction. Day after day our Soviet people convince themselves, from their own experience, that improvement in the organization of production, the introduction of new machines, every improvement and invention, inevitably ease their labour and heighten the material well-being of the working people. In all sectors of socialist construction we have innumerable examples of creative initiative by working people who strive to ensure the continuous growth and improvement of socialist production. Our people have long been famous for their creative initiative, intelligence and inventiveness.

The enemies of socialism and all their echoers depict socialism as a system which suppresses individuality. Nothing could be more primitive and vulgar than this conception. It has been proved that the socialist system has ensured the emancipation of the individual, the efflorescence of individual and collective creation, that it has provided conditions for the all-round development of the talents and gifts latent in the masses of the people.

In our country honest labour is highly appreciated and is readily encouraged. The Party and the government widely employ the system of awarding prizes and honours for achievements in all branches of the national economy and culture. In the period since the termination of the Patriotic War, Orders and Medals have been awarded to 1,346,000 workers, collective farmers, scientists, engineers and technicians, office employees, doctors, schoolteachers, and workers in other professions, and appreciation of the outstanding inventive activities of 6,480 men and women has been shown by the award of the lofty title of Hero of Socialist Labour.

The task of Party, Soviet, economic, trade union and Komsomol organizations is still further to spread emulation in all sectors of socialist construction and to exert all efforts to support those who set examples at work, to push forward the progressive proposals made by front-rank workers and inventors, widely to disseminate advanced practices among the entire mass of the working people in order to help the more backward workers catch up with front-rank workers. In the struggle between the new and the

old, between the advanced and the backward, the important thing is not only to perceive the forces that are creating the new social system, but also constantly to rear these forces, to see that they are developed to the utmost, tirelessly to organize and improve them in order to ensure our further forward movement.

2. FURTHER RISE IN THE MATERIAL, HEALTH AND CULTURAL STANDARDS OF THE PEOPLE

The achievements in all branches of the national economy have led to a further improvement in the material and cultural standards of Soviet society. This result is quite natural, indeed there could be no other, for the aim of developing socialist production in our country is to ensure the utmost satisfaction of the constantly growing material and cultural requirements of society.

The chief index of the improved well-being of the Soviet people is the continuous growth of the national income. From 1940 to 1951, the national income of the U.S.S.R. increased 83 per cent. In capitalist countries more than half of the national income is appropriated by the exploiting classes. In the Soviet Union, on the other hand, all of it goes to the working people, who receive nearly three fourths of the national income for the satisfaction of their personal material and cultural requirements, the remainder being used to expand socialist production and for other state and public needs.

A most important factor in raising the real wages of industrial and office workers and the real incomes

of the peasants is the systematic reduction by the government of prices of consumer goods. As a result of the five reductions of state retail prices effected in 1947-52, prices of food and manufactured goods are, on the average, now 50 per cent below the fourth quarter of 1947.

As is known, factory and office workers in our country receive state benefits in the shape of social insurance, old-age and disablement pensions, places in sanatoriums and rest homes and accommodation for their children in crèches and kindergartens at reduced rates or free of charge, in addition to paid annual vacations. All working people in town and country receive medical service free of charge. The state issues grants to mothers of large families and unmarried mothers, both in town and country; provides primary and seven-year school education free of charge, pays out stipends to students. In 1940, all these benefits received by the working people of town and country added up to 40,800 million rubles, and to 125,000 million rubles in 1951.

As a result of the increase in the monetary wages of industrial and office workers and in the incomes of the peasants, in money and kind, of the reduction of prices of consumer goods, and of the increase in grants and benefits paid by the state, the real income per industrial and office worker in 1951 was about 57 per cent higher than in 1940, and the real income per working peasant was about 60 per cent higher.

The draft directives for the Fifth Five-Year Plan provide for an increase in the national income of the U.S.S.R. over the five year period of not less than 60

per cent, an increase in the real wages of industrial and office workers, counting the reduction of retail prices, of not less than 35 per cent, and an increase in the income of the collective farmers in money and in kind (the total expressed in terms of money) of not less than 40 per cent.

Extensive housing and municipal development is in progress in our country. In the postwar years alone, the new homes built in towns and factory settlements total 155 million square metres of floor space, and over 3,800,000 houses have been built in rural areas. Housing construction has been especially extensive in the former enemy-occupied areas. In spite of the big volume of construction, however, there is still an acute housing shortage everywhere. Year after year, many Ministries and local Soviets fail to fulfil their housing plans, and the funds assigned by the state for this purpose remain partly unused. In the past two years alone, the shortfall in housing construction, due to nonfulfilment of plans, amounted to over four million square metres of floor space. We still have among us economic and Party executives who regard the housing needs of the working people as a matter of secondary importance and fail to take measures to secure the fulfilment of house building and repair plans. The task is to develop housing construction to the utmost. The draft directives for the Fifth Five-Year Plan provide for an increase of investments in state housing construction of approximately 100 per cent compared with the Fourth Five-Year Plan.

The Party and the government have always displayed great concern for the health of our people. State

expenditure on public health, including expenditure for this purpose out of the social insurance funds, increased from 11,200 million rubles in 1940 to 26,400 million rubles in 1951. As a result, we have a further improvement in and expansion of the medical and hygiene services of the people. In 1951, hospital accommodation in town and country was 30 per cent above 1940; the network of sanatoriums has been enlarged and the number of doctors in the U.S.S.R. has increased 80 per cent.

Higher material and cultural standards and improved medical services have made for a lower mortality rate. During the past three years the net increase in population amounted to 9,500,000. (Prolonged applause.)

Expenditure on education increased from 22,500 million rubles in 1940 to 57,300 million rubles in 1951, i.e., over 150 per cent. In the postwar period alone, 23,500 schools have been built. At the present time, 57 million people, nearly 8 million more than in 1940, are studying. Seven-year and ten-year education has been considerably extended. From 1940 to 1951, the number of pupils in the 5th to 10th grades increased 25 per cent. The student body of technical and other special secondary schools increased 40 per cent during the same period. In the higher educational establishments the increase has been 67 per cent, and in 1952 alone they graduated 221,000 young specialists for various branches of our national economy, and admitted 375,000 new students. We now have about 5,500,000 persons with university or technical school

training—120 per cent more than before the war—working in various parts of the country.

In view of the ever-growing importance of science in the life of our society, the Party is devoting constant attention to its development. The Soviet state has launched on the building and equipment of a large network of scientific research institutions, it has created the most favourable conditions for the efflorescence of science, and has provided for the training of research workers on a wide scale. From 1939 to the beginning of 1952, the number of scientific research institutes, laboratories and other scientific institutions in the U.S.S.R. increased from 1,560 to 2,900, with a nearly 100 per cent increase in the number of scientific workers. State expenditure on the development of science amounted to 47,200 million rubles in 1946-51.

In these past years we have greatly added to our network of cultural and educational institutions in town and country. The number of libraries, counting all types, is now 368,000, an increase of more than 120,000 over 1939. The total annual edition of books published is now 800 million, or 80 per cent more than in 1940. The number of sound-cinema installations in town and country has increased nearly 200 per cent since 1939.

Literature and art are, of course, a major and inseparable part of Soviet culture. We have made important advances in Soviet literature, the graphic arts, the theatre and the cinema. This is vividly illustrated by the fact that every year many of our talented writers and artists are awarded Stalin Prizes. That high distinction has been conferred on 2,339 workers in literature and art.

It would be wrong, however, to allow these impressive achievements to obscure the big defects in the development of our literature and art. The fact of the matter is that, in spite of significant achievements, the ideological and artistic level of many works is still not sufficiently high. In literature and art we still have many mediocre and drab productions, and sometimes simply hackwork, which distort Soviet reality. The seething and diversified life of Soviet society is feebly and tediously portrayed in the works of some of our writers and artists. There are still defects in that important and popular form of art, the cinema. Our cinema workers can produce good films of great educational value, but there are still too few such films. Our cinema industry has every opportunity to produce many good films of diverse types, but it does not make sufficient use of its opportunities.

It must be borne in mind that the ideological and cultural standards of the Soviet people have risen immensely, the Party is training them to regard the finest productions of literature and art as a criterion. Soviet people refuse to accept falsehood, mediocrity, art that has no message; the demands they make on our writers and artists are exacting. In their works our writers and artists must castigate the evils, sores and defects that exist in society and, in positive artistic images, depict the new type of people in all the magnificence of their human dignity and thereby help to train the people of our society characters, habits and customs that are free from the evils and vices engendered by capitalism. Yet Soviet fiction, drama, and the cinema have still failed to employ such an

art form as satire. It would be wrong to think that our Soviet reality does not provide material for satire. We need Soviet Gogols and Shchedrins who, with the fire of their satire, would eradicate all that is undesirable, decayed and moribund, everything that hinders our forward movement.

Our Soviet literature and art must boldly portray the contradictions and conflicts in life; they must learn to use the weapon of criticism as an effective means of education. The vitality and importance of realistic art lies in that it can, and must, discover and bring to light the lofty spiritual qualities and typical positive features in the character of the ordinary man and woman, and create vivid artistic images of them, images that will be an example to others.

In creating artistic images, our artists and writers must always bear in mind that the typical is not only what is most often met with. Typical is that which most fully and vividly expresses the essence of the given social force. In the Marxist-Leninist conception of the term, typical does not mean the statistical average. Typicalness corresponds to the essence of the given social-historical phenomenon and is not simply what is most widespread, often met with, the ordinary. A deliberately magnified image, brought out in salient relief, does not exclude typicalness, it reveals the typical more fully and emphasizes it. Typicalness is the main sphere of the manifestation of partisanship in realistic art. The problem of typicalness is always a political problem.

The lofty and noble task that confronts the workers in literature and art can be successfully fulfilled only

if a determined struggle is waged against hackwork, only if falsehood and decay are ruthlessly eradicated from literature and art. A tremendous responsibility in the struggle to rear the new and the lofty, and to eradicate that which is obsolescent and moribund in social life, rests upon our workers in literature and art. It is the duty of our writers, artists, composers and cinema workers to make a deeper study of the life of Soviet society, to create significant works of art worthy of our great people. (Applause.)

Comrades, we have great achievements in improving the material well-being and in raising the cultural standards of the Soviet people. But we cannot rest content with what we have achieved. The task is to ensure, on the basis of the development of our entire national economy, a further steady improvement in the material and cultural standards of the Soviet people. Our Party will continue to devote constant attention to satisfying to the utmost the ever-growing requirements of the Soviet people, for the well-being of the Soviet people, the prosperity of the Soviet people, is the supreme law for our Party. (Loud and prolonged applause.)

3. FURTHER CONSOLIDATION OF THE SOVIET SOCIAL AND POLITICAL SYSTEM

In the period since the Eighteenth Party Congress our Soviet state continued to grow, develop and gain in strength.

The economic basis of our state—the socialist ownership of the means of production—grew and

gained strength. During this period the friendly cooperation of the workers, peasants and intelligentsia, who constitute Soviet socialist society, grew still closer.

The war has shown that, faced by supreme difficulties, our social and political system proved to be the most durable, virile and stable system in the world. The unshakeable might of the Soviet socialist system springs from the fact that it is a truly people's system, created by the people itself, and enjoys the powerful support of the people, that it ensures the efflorescence of all the material and spiritual forces of the people.

The enemies and vulgarizers of Marxism preached the theory, most harmful to our cause, that the Soviet state will wither and die away even though the capitalist encirclement continues. The Party shattered this putrid theory and cast it aside. It advanced and substantiated the proposition that while the socialist revolution has triumphed in one country and capitalism still rules in the majority of countries, the land of the victorious revolution must not weaken, but strengthen the state to the utmost, that the state will remain even under communism, if the capitalist encirclement remains. We would not have achieved the successes in peaceful construction that we are so proud of now had we permitted the weakening of our state. Had we not strengthened our state, our army, our penal and security agencies, we would have found ourselves unarmed in the face of our enemies and confronted with the danger of military defeat. Our Party was able to transform the Land of Soviets into

an impregnable fortress of socialism because it strengthened the socialist state to the utmost, and it is continuing to strengthen it. (Loud applause.)

In launching their attack upon our country, the fascist invaders banked on the internal instability of the Soviet social and political system, on the weakness of the Soviet rear. But, as we know, the war showed that these calculations were wrong. Comrade Stalin's historic declaration that, in the event of war, the rear and front of our country, owing to their homogeneity and inherent unity, would be stronger than in any other country, was fully confirmed. The armed forces and the rear of our Soviet country grew stronger in the course of the war. The self-sacrificing labour of the Soviet people in the rear, and the heroic struggle the Soviet Army and Navy waged at the front, have gone down in history as an unexampled feat of the people in defence of their Motherland. Our Army and Navy were built, gained strength and fought under the direct leadership of Comrade Stalin. (Loud and prolonged applause.) Comrade Stalin, the strategic genius and organizer of the historic victories of the Soviet people in the Great Patriotic War, created the advanced Soviet military science and taught our Army the art of vanquishing the enemy. Our people love their Army and Navy and devote to them their constant care and attention. The Armed Forces of the Soviet Union have been, are, and will be, a reliable bulwark of the security of our Motherland. (Loud and long continuing applause.)

The Great Patriotic War and the subsequent years of peaceful development demonstrated anew that the

Soviet social system, created under the leadership of our Party, is the best form of organization of society, that the Soviet political system is the model multinational state. Many of our enemies and evil-wishers in the bourgeois camp reiterated without end that the Soviet multinational state was unstable and hoped that there would be a split among the peoples of the U.S.S.R.; they prophesied the inevitable collapse of the Soviet Union. They judged our state by the standards of their bourgeois countries, to which national antagonisms and strife are natural. The enemies of socialism are incapable of understanding that, as a result of the Great October Revolution and the socialist transformation that has taken place in our country, all the peoples in it are bound together by lasting ties of friendship, based on equal rights. (Applause.) Undeviatingly implementing the national policy of Lenin and Stalin, our Party strengthened the Soviet multinational state, promoted friendship and cooperation between the peoples of the Soviet Union, did everything to support, ensure and encourage the efflorescence of the national cultures of the peoples of our country, and waged an uncompromising struggle against all and sundry nationalist elements. The Soviet political system, which has gone through the severe test of war and has become for the whole world an example and model of true equal rights and cooperation of nations, stands witness to the great triumph of the ideas of Lenin and Stalin on the national question. (Prolonged applause.) Our Party guards, and will continue to guard, the unity and friendship of the peoples of the U.S.S.R. as the apple of its eye; it has

strengthened and will continue to strengthen the Soviet multinational state. (Loud applause.)

During the period under review, new peoples joined our Soviet family. The Lithuanian, Moldavian, Latvian and Estonian Soviet Socialist Republics were formed. The whole of the Ukrainian people are now reunited in a single state. Byelorussia has gathered the whole of the Byelorussian people in one family. In the northwest, we have new frontiers, more just, and corresponding in greater measure to the needs of our country's defence. In the Far East, the Soviet Union has regained South Sakhalin and the Kuril Islands, which had been severed from Russia. Today, the state frontiers of the Soviet Union correspond more closely to the historically-formed conditions of development of the peoples of our country. (Applause.)

With the assistance of the fraternal republics, the new Union Republics, in a short space of time, have not only made great progress in industrialization, but have also put small peasant farming onto the road of socialism, have completed collectivization, and are successfully developing socialist agriculture.

In the postwar period, the chief function of our state—economic organization and cultural-educational activity—received further development and became more prominent. The great expansion of socialist construction and the task of bringing Party and Soviet leadership still closer to the districts, towns and villages, necessitated a number of changes in administrative and territorial divisions, and new Regions, Areas and Districts were formed. The growth of our

national economy called for further changes in the organizational forms of direction by the state of the different branches of industry, agriculture and other departments of our national economy. This was met by dividing the central organs of state administration into smaller units and the formation of new ones.

Of immense importance in the strengthening of our state was the undeviating application of the principles of socialist democracy upon which the Stalin Constitution is based. In the postwar period, two elections were held to the Supreme Soviet of the U.S.S.R., to the Supreme Soviets of the Union and Autonomous Republics and to the local Soviets of Working People's Deputies. These elections took place in an atmosphere of tremendous political enthusiasm and were a further expression of the unity of our people, of their boundless confidence in our Communist Party and the Soviet Government. (Loud applause.)



The Party's tasks in the sphere of internal policy:

1) To continue undeviatingly to enhance the economic might of our state, organizing and directing the peaceful labours of the Soviet people to the fulfilment and overfulfilment of the great tasks set by the Fifth Five-Year Plan of development of the U.S.S.R., which marks an important stage in the transition from socialism to communism;

2) To achieve further advances in industry and transport. More extensively to introduce in industry,

the building industry and in the transport system, the latest achievements of science and technology, raise labour productivity to the utmost, attain higher discipline in the fulfilment of state plans, and ensure high-quality production. Steadily to reduce production costs, which is the basis for the systematic reduction of wholesale and retail prices;

3) To achieve further advances in agriculture with a view to creating in our country, within a short space of time, an abundance of food for the population and of raw materials for light industry. To ensure absolute fulfilment of the main task in agriculture—an increase in harvest yields of all crops, in the number of livestock and in livestock productivity, and in gross and market output of agricultural and livestock produce. To improve the work of the machine and tractor stations and state farms, to raise the productivity of labour on the collective farms and further strengthen their common husbandry, increase their wealth and thereby ensure a continued rise in the material well-being of the collective-farm peasantry;

4) To exercise the strictest economy in all branches of the national economy and in all the departments of administration;

5) Further to promote progressive Soviet science and advance to first place in world science. (Applause.) To direct the efforts of scientists towards more rapidly solving the scientific problems of exploiting the vast natural resources of our country; to strengthen fruitful collaboration between science and production, bearing in mind that this enriches science with the experience of the practical workers and helps

the practical workers more quickly to solve the problems confronting them;

6) To develop to the utmost the creative initiative of the working people of our Motherland, spread socialist emulation still wider, promote positive, model examples of new work methods in all sections of socialist construction, consistently popularizing them among all workers in order that more and more people on the labour front keep in step with the forward-looking members of our society;

7) To continue to improve the material well-being of our people; steadily to raise the real wages of industrial and office workers; improve housing conditions; facilitate to the utmost the growth of peasant incomes. To develop Soviet culture; to improve public education and the public health services; to pay constant attention to the further development of Soviet literature and art;

8) To strengthen to the utmost our social and political system. Further to promote the political activity and patriotism of the Soviet people and strengthen the moral and political unity and friendship of the peoples of our country;

9) Keep vigilant watch on the warmongers, steadily strengthen the Soviet Army, Navy and security service. (Loud applause.)

III

THE PARTY

The steadily increasing might of our Soviet Land is a result of the correct policy of the Communist Party and its organizational effort in putting this policy into effect. As the leading and directing force in Soviet society, the Party took timely measures to prepare the country for active defence, and mustered all the energies of the people for the defeat of the enemy during the war, and to secure a new and powerful advance of the national economy in the years following the war.

The historic victory of the Soviet people in the Great Patriotic War, the fulfilment of the Fourth Five-Year Plan ahead of schedule, the further progress of the national economy, the higher living and cultural standards of the Soviet people, the increased strength of the moral and political unity of Soviet society and of the mutual friendship of the peoples of our country, and the rallying around the Soviet Union of all the forces of the camp of peace and democracy—these are the main achievements which confirm the correctness of our Party's policy. (Loud and prolonged applause.)

The period under review was one in which the Party added still further to its strength, and in which

the unity and solidarity of its ranks were cemented to the full. This unity of the Party, won in strenuous battle against the enemies of Leninism, is the most characteristic feature of its internal condition, its inner life. It is the source of the strength and invincibility of our Party. (Prolonged applause.)

The unity of the Party's ranks was the decisive factor in the victory of the Soviet people in the Great Patriotic War. In the grimmest trials of that war, when the fate of our country was at stake, our Party acted as a single militant organization, which knew neither vacillation nor dissension. In the light of the war and its results, we perceive in all its magnitude the importance of that implacable struggle which over a period of many years our Party waged against every brand of enemy of Marxism-Leninism—the Trotskyite and Bukharinite degenerates, the capitulators and traitors who tried to deflect the Party from the right path and to split its ranks. It has been proved that these infamous traitors and renegades were waiting for an armed attack upon the Soviet Union, counting on stabbing the Soviet state in the back in its hour of trial at the behest of the enemies of our people. By demolishing the Trotskyite and Bukharinite underground, which was a centre of attraction for all anti-Soviet forces in the country, and by purging our Party and Soviet organizations of enemies of the people, the Party in good time destroyed all possibility of the appearance of a "fifth column" in the U.S.S.R., and prepared the country politically for active defence. It will be easily understood that if this had not been done in time, we should, during the war, have found ourselves under

fire both from the front and the rear, and might have lost the war.

We owe the unshakeable solidarity of the ranks of our Party above all to our leader and teacher, Comrade Stalin, who safeguarded the Leninist unity of the Party. (All rise. Loud and prolonged applause and cheers.) The unity of our Party's ranks was, is, and will be the basis of its strength and invincibility. Steeled in the furnace of the stern trials of the war and in battle with the difficulties of the postwar period, the Party appears at this congress stronger and more firmly cemented than ever, and united around its Central Committee as never before. (Loud and prolonged applause.)

The strength of our Party stems from the fact that it is bound by vital ties with the broad masses, that it is a genuine party of the people, and that its policy conforms with the fundamental interests of the people. Such mass organizations as the Soviet trade unions and the Komsomol have substantially enhanced their role in rallying the working people around the Party and educating them in the spirit of communism. In the fight for the liberty and independence of our Motherland and for the building of a communist society, the Party has become still more intimately linked with the people, its ties with the broad mass of the workers have been strengthened. The Soviet people unanimously support the policy of the Party and accord it their full confidence. (Loud applause.)

Graphic evidence of the fact that the Party's ties with the masses are growing ever stronger and its prestige in the eyes of the Soviet people ever higher

is the increase of its membership. At the time of the Eighteenth Party Congress its ranks included 1,588,852 members and 888,814 candidate members, or a total of 2,477,666. On October 1, 1952, the Party had a total membership of 6,882,145—6,013,259 members and 868,886 candidate members. (Applause.)

During the Great Patriotic War, notwithstanding the heavy losses sustained by the Party at the fronts, its numerical strength, far from diminishing, increased by over 1,600,000. Its ranks were augmented with the staunchest elements of the Soviet people, warriors of the Soviet Army and Navy who were fighting gallantly on the battle fronts, and with the foremost elements from the working class, the collective-farm peasantry and the Soviet intelligentsia who were working devotedly in the rear forging victory over the enemy.

When the war ended, the Central Committee of the Party decided somewhat to slow down new admissions to the Party; nevertheless they continued at a rapid pace. The Party could not but observe that this swift growth of its membership had its reverse sides, tended to some degree to lower the level of political consciousness of its ranks, and more or less to affect the qualitative composition of its membership. A certain discrepancy arose between the numerical strength of the Party and the level of political enlightenment of its members and candidate members. In order to eliminate this discrepancy and further to improve the qualitative composition of the Party, the Central Committee deemed it necessary not to push the growth of the Party and to focus the attention of its organizations on raising the political level of members and

candidate members. Acting on the instruction of the C.C., the Party organizations began to sift admissions to the ranks of the Party more carefully, to be more exacting regarding the qualifications of applicants, and to place the work of political education of Communists on a wider footing. The result is an unquestionable enhancement of the political level of the Party members, an improvement in their knowledge of Marxism-Leninism. However, the task set by the Party of eliminating the lag of the political training of Communists behind the growth of the Party's ranks cannot be regarded as wholly accomplished. We must therefore continue the line of restricting admissions to the Party and improving the political enlightenment and Party training of Communists, since it is not only in its numbers that the strength of the Party lies, but also, and chiefly, in the quality of its members.

It has become a matter of particular importance in this postwar period to strengthen the Party directing bodies and to improve their work and the work of the Party organizations.

The new tasks that faced the country with the end of the war and the reversion to peaceful construction demanded a substantial improvement of inner-Party work and of the leadership of government and economic activity by the Party organizations. The fact was that wartime conditions had demanded certain modifications in methods of Party leadership, and had also given rise to grave shortcomings in the work of the Party directing bodies and Party organizations. This was reflected first of all in the fact that the Party bodies had been giving less attention to organization

and ideological work within the Party, with the result that in many of the Party organizations these activities were neglected. There was a certain danger of the Party bodies becoming severed from the masses and being transformed from organs of political leadership, from militant and self-acting organizations, into something in the nature of managing institutions, incapable of counteracting parochial, narrow-departmental and other anti-state tendencies, or of perceiving outright distortions of the Party's policy in the economic field and violations of the interests of the state.

In order to eliminate this danger and successfully to cope with the task of strengthening the local Party directing bodies and stimulating the activities of the Party organizations, it was necessary to stop the neglect of organization and ideological work within the Party, and to put an end to such tendencies as the adoption by Party organizations of administrative methods of leadership, the effect of which was to lend a bureaucratic character to Party work and to dampen the activity and initiative of the Party masses.

The Central Committee focussed the attention of the Party organizations on the duty of consistently practising inner-Party democracy and developing criticism and self-criticism, and in this way strengthening control by the Party masses over the activities of the Party directing bodies, which is the key to the improvement of all Party work and to the enhancement of the activity and initiative of Party organizations and Party members. The measures taken by the Party to stimulate inner-Party democracy and

self-criticism helped the party organizations in a large measure to eliminate the defects in party political work and contributed quite considerably to its improvement. The effect of this has been that the Party members are now displaying greater activity and initiative, the primary Party organizations in factories, collective farms and offices have grown stronger and are working with greater animation, control by the Party masses over the activities of Party bodies has become more effective, and the role of plenary meetings of Party committees and active members has been enhanced.

But it would be wrong not to see that the level of Party political work is still not abreast of the demands of actual life and of the tasks set by the Party. That there are shortcomings and errors in the work of the Party organizations has to be admitted; there are still plenty of undesirable, and at times even morbid features in their internal life, which must be known and seen and brought into the open in order to eliminate and overcome them and to ensure further successful advancement.

What are these shortcomings, errors and undesirable and morbid features, and what must the Party do about them?

1) Not in all Party organizations, and nowhere by any means in full measure, have self-criticism, and especially criticism from below become the principal method of disclosing and overcoming our errors and shortcomings, our weaknesses and maladies.

The importance of criticism and self-criticism in the life of the Party and the state is still not fully ap-

preciated by some of our Party organizations. There are cases when people are persecuted and victimized for criticism. We still meet with responsible workers who never tire of professing their fidelity to the Party, but who actually cannot tolerate criticism from below, stifle it, and revenge themselves on those who criticize them. We know of plenty of cases when a bureaucratic attitude towards criticism and self-criticism has done serious damage to the Party, killed the initiative of a Party organization, undermined the prestige of the leadership among the Party masses, and infected some of the organizations with the anti-Party habits of bureaucrats, sworn enemies of the Party.

The Party cannot close its eyes to the fact that wherever criticism and self-criticism are suppressed and control by the masses over the activities of organizations and institutions is weakened, there such ugly features as bureaucracy and degeneration, and even the corruption of individual sections of the Party apparatus, invariably appear. Of course, such cases are not very prevalent. Our Party is stronger and sounder than it ever was. But it must be realized that these dangerous maladies have not become very widespread only because the Party has been prompt, using the weapon of criticism and self-criticism, in openly and boldly denouncing them and striking vigorous blows at concrete manifestations of vainglory, bureaucracy and degeneration. Wise leadership consists, in fact, in the ability to perceive a danger in its incipency, and not to allow it to grow to the dimensions of a direct menace.

Criticism and self-criticism are the tried and tested weapons of the Party in combating shortcomings, errors and morbid tendencies which undermine the health of the Party organism. Criticism and self-criticism do not weaken, but strengthen the Soviet state and the Soviet social system, and this is a sign of its vigour and virility.

It is particularly important at the present time to stimulate self-criticism and criticism from below, and ruthlessly to combat, as malignant enemies of the Party, all who hamper the development of criticism of our shortcomings, who stifle criticism, and answer it with persecution and victimization. The fact is that with the victorious conclusion of the war and our big achievements in the economic field since the war, an uncritical attitude has developed in the ranks of the Party towards defects and errors in the work of Party, economic and other organizations. There are facts that show that achievement has bred in the ranks of the Party a tendency to self-satisfaction, to make a pretence of all being well, a spirit of smug complacency, a desire on the part of people to rest on their laurels and to live on the capital of their past services. There are quite a number of responsible workers who are inclined to think, "we can do everything," "nothing's beyond us," that "all's going well," and so there is no need for them to worry themselves with such a disagreeable occupation as disclosing defects and errors in work, or combating undesirable and unhealthy tendencies in our organizations. This attitude of mind, which has such pernicious consequences, has infected a section of our cadres who are

poorly trained and unstable from the Party point of view. Leaders of Party, Soviet and economic organizations not infrequently turn meetings, gatherings of active members, plenary meetings and conferences into vainglorious displays, into occasions of self-laudation, with the result that errors and shortcomings in work, maladies and weaknesses are not brought to light and subjected to criticism; and the effect of this is to encourage the attitude of self-satisfaction and smug complacency. A spirit of negligence has penetrated our Party organizations. There are cases of Party, economic, Soviet and other executives relaxing their vigilance and failing to see what is going on around them; there are cases of divulgence of Party and state secrets. Some responsible workers get absorbed in economic affairs; they allow their heads to be turned by successes, and begin to forget that we are still in a capitalist encirclement, that the enemies of the Soviet state are working persistently to smuggle their agents into our country and to utilize unstable elements in Soviet society for their own malignant ends.

If our work is to be successfully advanced, undesirable tendencies must be vigorously combated, the attention of the Party and of all Soviet citizens must be focussed on the elimination of shortcomings; and this requires the broad development of self-criticism, and especially of criticism from below.

The active participation of the broad mass of the workers in eliminating shortcomings in work and undesirable features in the life of our society is a graphic demonstration of the genuinely

democratic character of the Soviet system and of the high political intelligence of our Soviet citizens. Criticism from below reflects the creative initiative and enterprise of our working millions, their concern to strengthen the Soviet state. The more widespread self-criticism and criticism from below become, the more fully will the creative powers and energies of our people manifest themselves, and the stronger will grow the consciousness among the masses that they are the masters of the country.

It would be a mistake to think that criticism from below can develop of itself, spontaneously. Criticism from below can grow and spread only if every person who comes forward with sound criticism feels sure that he will have the support of our organizations and that the defects he points to will really be removed. Our Party organizations and Party workers, indeed all our leading personnel, must take a lead in this and set an example in showing a sincere and conscientious attitude towards criticism. It is the duty of all our leading personnel, and especially of our Party workers, to create the conditions in which all honest Soviet citizens may come forward boldly and fearlessly and criticize defects in the work of organizations and institutions. In all organizations, general meetings, meetings of active workers, plenary meetings and conferences must really become broad forums for bold and trenchant criticism of shortcomings.

Persistent effort to eliminate defects and unhealthy tendencies in the work of Party, Soviet, economic and other organizations must be the daily concern of the whole Party. A Communist has no right to re-

main indifferent to unhealthy features and shortcomings in work, still less to conceal them from the Party. If in any organization things are not going as they should, and the interests of the Party and the state are being injured, it is the duty of a Party member, without regard of persons, to bring the shortcomings to the attention of the leading Party bodies, up to and including the Central Committee. That is the duty of every Communist, the most important of all his obligations. Some of our executives consider that if a subordinate informs the Party Central Committee of shortcomings, he is interfering in his work of leadership and undermining his authority. This pernicious and profoundly anti-Party attitude must be eradicated once and for all.

It is the duty of the Party to stimulate wide criticism and self-criticism to the utmost and to remove all obstacles in its way. The more extensively we enlist the masses in the fight against shortcomings in our work, and the more effectively the activities of all our organizations are controlled from below, the more successful will be our advancement in all fields. Consistent implementation of the slogan of criticism and self-criticism necessitates putting up a determined fight against all who hamper its development, all who answer criticism with persecution and victimization. Leading workers who do not help to promote criticism and self-criticism are a hindrance to our advancement, they are not mature enough to be leaders, and they cannot count on the confidence of the Party.

2) Party and state discipline is still weak among a section of our Party, Soviet, economic and other workers.

Among our leading workers there are still quite a few who treat the decisions of the Party and the government in a purely formal manner, display neither energy nor persistence in carrying them out, and who are not perturbed when things go wrong at their job and the interests of the country suffer. A formal attitude to decisions of Party and government, and passivity in carrying them out, is a vice that must be eradicated with the utmost ruthlessness. The Party does not need inert and indifferent executives who prize their own comfort higher than the interests of the work; it needs men who will fight indefatigably and devotedly to carry out the directives of Party and government, and who place the interests of the state above all else.

One of the most dangerous and vicious violations of Party and state discipline is the concealment by some leading workers of the true state of affairs in the plants or institutions in their charge, and the depicting of the results of their work in too rosy a light. The Central Committee and the government have disclosed cases when leading workers place their narrow departmental and local interests higher than the general interests of the state, and, under the guise of concern for the welfare of the enterprises under their charge, conceal from the government material resources at their disposal, which is a violation of the laws of Party and government. We also know of business executives who, with the connivance of the Party

organizations, put in exaggerated applications for raw materials and prefabricates, or who, when they are not fulfilling their production plans, overstate actual output in their reports. There are quite a number of executives who forget that the enterprises entrusted to their charge are state enterprises, and try to turn them into their own private domain, where these apologies for leaders think they are the cock of the walk and can do anything they fancy. (Laughter.) Another grave evil is that there are quite a number of executives who believe that Party decisions and Soviet laws are not written for them, and imagine that we have two disciplines: one for the rank and file, and the other for leaders. Such "leaders" think that everything is allowed them, that they need not pay heed to state and Party rules, that they may break Soviet laws, and take any arbitrary action they please.

The Party demands truthfulness and honesty, unswerving observance of duty to Party and state of all its members, and especially of those in leading positions. It cannot trust people who go against the interests of the state, who play false with the government and try to deceive Party and state. Deceiving the Party or state in any form whatsoever, any attempt at deceit, whether by concealing or by distorting the truth, cannot be regarded otherwise than as a severe offence against the Party. It is time it were understood that there is only one discipline in our Party, for rank and file and for leaders alike, and that Soviet laws are equally binding on all Soviet citizens, high and low. Leaders who do not carry out

decisions of Party and government conscientiously, who act lawlessly and arbitrarily, cannot expect to have any allowances made for them on account of their position.

We must put a decisive stop to violations of Party and state discipline, to irresponsibility and laxity, to purely formal observance of decisions of Party and government; we must work incessantly to enhance the sense of duty towards Party and state on the part of all our workers, and must mercilessly eradicate untruthfulness and lack of conscientiousness. Anyone who attempts to conceal the truth from the Party and to deceive the Party cannot be allowed to remain in its ranks. Unswerving observance of the interests of our Motherland, and energetic and indefatigable effort to carry out Party and government decisions is a primary duty of every Party or state official.

3) The injunction of our great Lenin that the main thing in organizational work is the proper selection of personnel and verification of fulfilment is still being carried out unsatisfactorily.

The facts show that proper selection of personnel and verification of fulfilment are still a long way from being the chief element in the directing activities of central and local Party, Soviet, and economic organizations.

One of the most prevalent and deeply ingrained defects in the practical work of Soviet, economic and Party organizations is inefficient organization of the carrying out of the directives of the centre and of their own decisions, and lack of proper supervision of the way they are carried out. Our organizations and institutions issue far more decisions, directives and

orders than are needed, but are little concerned as to whether they are carried out, or how they are carried out. Yet the main thing is that they should be carried out properly, and not bureaucratically. An unscrupulous and irresponsible attitude towards the carrying out of the directives of leading bodies is the most dangerous and vicious manifestation of bureaucracy. Experience shows that even a good worker, if left to his own devices, and if his activities are not controlled and verified, begins to deteriorate and becomes a bureaucrat.

It is one of the duties of the Party to strengthen control and verification to the maximum throughout the whole system of leadership, in the work of all organizations and institutions from top to bottom. For this, we must enhance the personal responsibility of the directors of all organizations and institutions in arranging for proper verification of the fulfilment of decisions of Party and government, greatly to improve the work of the control and auditing staffs, both in the centre and in the localities, and to reinforce them with people of authority, experience and political acumen, and capable of unswervingly protecting the interests of the state. It is necessary greatly to strengthen Party control, and to focus the attention of Party bodies on verification of fulfilment of decisions of Party and government. It is necessary that, in their work of verifying fulfilment, our leading bodies should enlist the cooperation of the working masses, of Party, trade union and Komsomol organizations, and of the active workers of the local Soviets. Only a combination of verification of fulfilment from above with verification

from below by the Party and non-Party masses can ensure the prompt elimination of defects in the work of our organizations and institutions, and create an atmosphere in which decisions and directives are carried out promptly and accurately, in true Bolshevik style.

The decisive factor in Party and state leadership is personnel; if personnel is not selected and trained properly, the political line of the Party cannot be carried out effectively. The chief aim in selecting personnel should be the maximum improvement of the quality of staffs, the reinforcement of our Party, state and economic organizations with people who are loyally devoted to the interests of Party and state, who know their job well and are capable of advancing it.

Thanks to the efforts of the Party, the composition of our executive staffs has considerably improved. This does not mean, however, that the work of improving the quality of executive staffs has been completed. Today, when all branches of the economy are supplied with up-to-date equipment and the cultural level of the Soviet people has risen immeasurably, the qualifications required of executive personnel are higher than they were before. The direction of industry and agriculture, and of the Party and state apparatus must be in the hands of educated people, people who know their job, who are capable of infusing a fresh spirit into it, of supporting and creatively developing everything advanced and progressive. All the opportunities for this exist, inasmuch as the fund from which executive personnel conforming with these requirements can be drawn and promoted is much wider than it was before.

Further improvement of the composition of execu-

tive staffs will now depend mainly on proper organization of the study and selection of personnel, and this requires first and foremost the elimination of shortcomings, errors and abnormalities in the handling of personnel. And shortcomings there are in plenty.

The chief shortcoming is that some of our executives do not base their selection of personnel on political and business qualifications, but on considerations of kinship, friendship and hometown ties. Not infrequently, people who are honest and competent, but peremptory in their intolerance of shortcomings, and therefore a cause of annoyance to executives, are shouldered out on various pretexts and replaced by people of dubious value, or even entirely unfit for their jobs, but are compliant and subservient enough to suit the tastes of certain executives. Owing to such distortions of the Party line in the matter of selection and promotion of personnel, we get in some organizations close coteries who constitute themselves into a sort of mutual insurance society and set their group interests higher than the interests of Party and state. It is not surprising that such a state of affairs usually results in degeneration and corruption. This was the case, for instance, with the Ulyanovsk Party organization, where a section of the economic, Soviet and Party workers in the top leadership of the regional organization became morally corrupt and began to engage in peculation, in squandering and pilfering state property.

A serious obstruction to the further improvement of the composition of our executive staffs is the bureaucratic, red-tape approach to the study and

selection of personnel. Quite often personnel is selected on the strength of questionnaires and formal certificates, without serious verification of the business and political qualifications of the candidates. In the matter of selecting personnel there is an ingrained and vicious practice of endorsing or appointing candidates without preliminary personal contact with them. Naturally, with such a formal and bureaucratic approach to the selection of personnel, it cannot be properly decided whether the given candidate is suitable for the work for which he is recommended. Unless the merits and demerits of the candidate are ascertained, it is impossible to determine in what post he can best display his abilities.

It is the duty of Party organizations to see that the principles governing the selection and allocation of personnel established by our Party are unswervingly observed in all divisions of our apparatus. An implacable fight must be waged against clanship and mutual insurance coteries, and the bureaucratic attitude towards the study and selection of personnel must be stopped. The work of Party bodies in the study and selection of personnel must be raised to a higher level, and Party control of how this work is being done in Soviet and economic organizations must be strengthened.

We must see to it that the selection of personnel and verification of fulfilment really become the chief thing in the directing activities of the central and local Party, Soviet and economic organizations. It must be remembered that the primary purpose of verification of fulfilment is to disclose shortcomings,

to expose infringements of law, to help honest executives with advice, to punish the incorrigible and secure the carrying out of decisions, to study experience and on its basis ensure the most efficient, advantageous and economical performance of tasks set. We must not tolerate a bureaucratic approach to the verification of fulfilment, and we must not fear to rescind or amend decisions if they are found to be mistaken or inaccurate. Verification of fulfilment is inseparably linked with the task of eliminating shortcomings in the selection of personnel. If verification reveals the necessity for it, inefficient, unsuitable, unprogressive and unconscientious executives should be dismissed and replaced by people who are efficient, suitable, progressive and honest. Verification of fulfilment should assist the promotion of new people who are capable of advancing the work and who are concerned to protect the interests of the state.

4) Many Party organizations underrate the importance of ideological work, with the result that it falls short of the Party's requirements, and in many organizations is in a state of neglect.

Ideological work is a prime duty of the Party, and underestimation of its importance may do irreparable damage to the interests of Party and state. We must always remember that if the influence of socialist ideology is weakened the effect is to strengthen the influence of the bourgeois ideology.

There is no class basis, there can be no class basis, for the domination of the bourgeois ideology in our Soviet society. It is the socialist ideology that dominates in our country, and Marxism-Leninism

constitutes its indestructible foundation. But we still have vestiges of the bourgeois ideology, relics of the private-property mentality and morality. These relics do not die away of themselves; they are very tenacious and may strengthen their hold, and a determined struggle must be waged against them. Nor are we guaranteed against the infiltration of alien views, ideas and sentiments from outside, from the capitalist countries, or from inside, from the relics of groups hostile to the Soviet state which have not been completely demolished by the Party. It should not be forgotten that the enemies of the Soviet Union are working to inculcate, foment and foster unhealthy sentiments, ideologically to corrupt the unstable elements in our society.

Some of our Party organizations tend to devote all their attention to economic affairs and to forget ideological matters, to relegate them to the background. Ideological work does not receive sufficient attention even in so front-rank a Party organization as the Moscow organization. And that cannot be done with impunity. Whenever attention to ideological questions is relaxed, a favourable soil is created for the revival of views and ideas hostile to us. If there are sectors of ideological work which for any reason fall out of the purview of Party organizations, if there are sectors in which Party leadership and influence have slackened, alien elements, the remnants of anti-Leninist groups smashed by the Party, will try to get hold of these sectors and utilize them for the promotion of their own line, for the revival and spread of all sorts of un-Marxist "opinions" and "conceptions."

Underestimation of the importance of ideological work is largely due to the fact that a certain section of our leading personnel do not work to raise their own level of political enlightenment, do not improve their knowledge of Marxism-Leninism, do not broaden their horizon by a study of the historical experience of the Party. And without this, it is impossible to become a full-fledged and mature leader. Whoever lags behind in his ideological and political development, whoever relies upon formulas learned by rote, and has no feeling for the new, is incapable of understanding home and foreign affairs, is unable to be, and is unworthy of being, in the leading ranks of the movement, and sooner or later the realities of life will throw him into the discard. Only such leaders can measure up to the tasks of our Party who constantly work to improve their knowledge, who creatively master Marxism-Leninism, and who train and perfect within themselves the qualities of leaders of the Leninist-Stalinist type.

Party organizations are still doing too little for the ideological and political education of their members and candidate members, they do not sufficiently organize and control their study of Marxist-Leninist theory, with the result that many Communists lack an adequate knowledge of Marxism-Leninism. Continuous perfection of the political knowledge of members and candidate members is indispensable, if they are effectively to perform their role of foremost elements in all departments of life, if the activity of the Party masses is to be heightened, and the work of the Party organizations to be improved.

It is because of inadequate guidance of ideological work and lack of control of its content that we so often find serious errors and distortions in books, newspapers and magazines and in the activities of scientific and other ideological institutions. The intervention of the Party Central Committee in many branches of science brought to light habits and traditions alien to Soviet people, disclosed cases of caste exclusiveness and intolerance to criticism, and exposed and put an end to various manifestations of bourgeois ideology and vulgarizing distortions. The discussions on philosophy, biology, physiology, linguistics and political economy disclosed serious ideological failings in various fields of science, gave an impetus to criticism and to battles of opinion, and played a big role in the promotion of scientific thought. The Arakcheyev regime which prevailed on many sectors of the scientific front has been extirpated. However, in a number of branches of science we have not yet fully put an end to the monopoly of various groups of scientists, who bar the way to fresh and growing forces, fence themselves off from criticism, and seek to settle scientific questions by administrative fiat. No science can effectively develop in a musty atmosphere of mutual laudation and hushing up of errors; whenever individual groups of scientists endeavour to establish a monopoly for themselves, the inevitable result is scientific stagnation and decay.

The ideological work of the Party must play an important part in purging the minds of people of survivals of the capitalist mentality, of

prejudices and pernicious traditions inherited from the old society. We must continue to foster in the masses a lofty sense of social duty, we must educate the workers in the spirit of Soviet patriotism, friendship among nations, and concern for the interests of the state, and perfect those sterling qualities of our Soviet people—confidence in the victory of our cause, and readiness and ability to overcome all difficulties.

It is the duty of Party organizations to put an end once and for all to the harmful practice of underrating the importance of ideological work, to extend the scale of this work in all sectors of the Party and the state, and to be indefatigable in exposing all manifestations of ideologies alien to Marxism. We must promote and perfect socialist culture, science, literature and art, and use all our means of political and ideological influence—our propaganda, agitation and press—to improve the ideological education of Communists, and to enhance the political vigilance and consciousness of the workers, peasants and intellectuals. It is the duty of all our cadres, without exception, to improve their ideological knowledge and to assimilate the rich political experience of the Party, so that they may not lag behind developments and be equal to the tasks of the Party. Party organizations must constantly assist members and candidate members in perfecting their ideological knowledge, must ground them in the principles of Marxism-Leninism and train them to be politically educated and enlightened Communists.



Our tasks in the sphere of strengthening the Party are as follows.

1) We must continue to improve the quality of the Party's ranks, not striving after numbers, but concentrating on raising the political level and Marxist training of members and candidate members; we must enhance the political activity of Communists and make all Party members staunch fighters for the implementation of the Party's policies and decisions, intolerant of shortcomings and capable of working persistently to eliminate them; we must improve and perfect the work of the trade unions and the Komsomol and steadily strengthen our ties with the masses, remembering that the strength and invincibility of our Party lies in its intimate and inseparable tie with the people;

2) We must put an end to the spirit of self-satisfaction, infatuation with achievements, empty parading of successes and tendency to complacency in the ranks of our Party which are so harmful and dangerous to our cause, and must boldly and determinedly bring to light and eliminate shortcomings and defects in our work; we must consistently practice inner-Party democracy, more broadly stimulate self-criticism and criticism from below, make it possible for all honest-minded Soviet citizens to come forward boldly and fearlessly and criticize shortcomings in the work of our organizations and institutions; we must ruthlessly combat all attempts to suppress criticism or to answer it with persecution and victimization; we must enhance Party and state discipline to the full, put

down manifestations of a formal attitude to decisions of Party and government, and wage a determined battle against laxity of discipline and violations of the interests of the state;

3) We must perfect the work of the Party directing bodies in properly selecting, allocating and training personnel, strictly observe the principles of selecting personnel laid down by the Party, ruthlessly combat violations of these principles, implacably combat a bureaucratic approach to the selection of cadres, improve the quality of executive staffs, boldly promote to leading positions people who are loyally devoted to the interests of Party and state, who know their work and are capable of advancing it, and remove incompetent, unsuitable, unprogressive and unconscientious executives; we must substantially perfect control and verification of fulfilment throughout the whole system of leadership from top to bottom, we must hold the directors of all organizations and institutions more strictly accountable for verification of fulfilment of decisions of Party and government, and combine verification of fulfilment from above with verification from below by the Party and non-Party masses; we must see to it that proper selection of personnel and verification of fulfilment really do become the main element in the directing work of central and local Party, Soviet and economic organizations;

4) We must put an end to underrating the importance of ideological work, determinedly combat manifestations of a liberal attitude or indifference towards ideological errors and distortions, systematically improve

and perfect the ideological and political training of our cadres; we must utilize all our means of ideological influence, our propaganda, agitation and press, for the communist education of Soviet citizens; we must raise Soviet science to a higher level by stimulating criticism and battles of opinion in scientific work, remembering that only in this way can Soviet science perform its mission of becoming the vanguard of world science;

5) We must continue to treasure as the apple of our eye the Leninist unity of the Party's ranks, which is the basis of the strength and invincibility of our Party. (Loud and prolonged applause.)



Comrades, in our epoch the great teachings of Marx, Engels, Lenin and Stalin are a beacon to all mankind, pointing the way to the development of world civilization.

Our Party owes its strength to the fact that its activities are guided by Marxist-Leninist theory. Its policy is based on a scientific knowledge of the laws of social development.

The historical role of our great teachers, Lenin and Stalin, is that, having penetrated the theoretical principles of Marxism and possessing a perfect mastery of the dialectical method, they championed and upheld Marxism against all distortions and developed Marxian theory with superb genius. They constantly, at every new turn in history, linked Marxism with the definite practical tasks of the epoch, and demonstrated by their creative approach to the

teachings of Marx and Engels that Marxism is not a lifeless dogma but a living guide to action.

Marxist-Leninist theory is the subject of Comrade Stalin's unflagging labours. A central place in Comrade Stalin's theoretical work all through this recent period has been the investigation of problems of epoch-making significance—the development of the socialist economy and the gradual transition to communism. Creatively enriching and developing the science of Marxism-Leninism, Comrade Stalin ideologically arms the Party and the Soviet people in the struggle for the triumph of our cause.

Of cardinal importance to Marxist-Leninist theory and to all our practical activity is the work of Comrade Stalin just published: "Economic Problems of Socialism in the U.S.S.R." (Loud and prolonged applause.) This work gives an all-round analysis of the laws of social production and distribution of material values in socialist society, defines the scientific principles of development of the socialist economy, and maps the path of the gradual transition from socialism to communism. Comrade Stalin's investigation of problems of economic theory has far advanced the Marxist-Leninist political economy.

Comrade Stalin has outlined a program of the basic preliminary conditions necessary for the transition to communism. In order to pave the way for the real transition to communism, Comrade Stalin teaches us, at least three basic preliminary conditions must be satisfied.

"It is necessary, in the first place, to ensure ... a

continuous expansion of all social production, with a relatively higher rate of expansion of the production of means of production. The relatively higher rate of expansion of production of means of production is necessary not only because it has to provide the equipment both for its own plants and for all the other branches of the national economy, but also because reproduction on an extended scale becomes altogether impossible without it." (J. Stalin, *Economic Problems of Socialism in the U.S.S.R.*, p. 74.)

"It is necessary, in the second place, by means of gradual transitions carried out to the advantage of the collective farms, and, hence, of all society, to raise collective-farm property to the level of public property, and, also by means of gradual transitions, to replace commodity circulation by a system of products-exchange, under which the central government, or some other social-economic centre, might control the whole product of social production in the interests of society." (Ibid., p. 75.)

At present, of course, commodity circulation and collective-farm property are being successfully utilized for the promotion of the socialist economy, and they are of undeniable benefit to our society. They will be of benefit also in the near future. But we must have the prospects of our development in mind.

"...Neither an abundance of products, capable of covering all the requirements of society," Comrade Stalin points out, "nor the transition to the formula, 'to each according to his needs,' can be brought about if such economic factors as collective-farm, group

property, commodity circulation, etc., remain in force." (Ibid., p. 74.)

So long as in the socialist economy the two basic production sectors—state and collective-farm—remain, commodity circulation with its "money economy" must also remain as a necessary and useful element in our system of national economy. The existence of commodity production and commodity circulation determines also the existence under socialism of the law of value, although under our system it has ceased to function as a regulator of production.

But commodity circulation, like the law of value, is not eternal. When, instead of the two basic forms of socialist production—public and collective-farm—a single, all-embracing production sector appears, commodity circulation with its "money economy," as well as the law of value, will disappear. The opinion that commodity circulation will remain under communism has nothing in common with Marxism. Commodity circulation is incompatible with the prospective transition from socialism to communism.

Comrade Stalin has theoretically worked out the measures needed to elevate collective-farm property to the level of public property, the gradual transition to a system of products-exchange between state industry and the collective farms. The rudiments of products-exchange now existing in the shape of the "merchandising" of the products of the cotton-growing, flax-growing, beet-growing and other collective farms will develop into a broad system of products-exchange.

"Such a system," Comrade Stalin says, "would

require an immense increase in the goods allocated by the town to the country, and it would therefore have to be introduced without any particular hurry, and only as the products of the town multiply. But it must be introduced unswervingly and unhesitatingly, step by step contracting the sphere of operation of commodity circulation and widening the sphere of operation of products-exchange.

"Such a system, by contracting the sphere of operation of commodity circulation, will facilitate the transition from socialism to communism. Moreover, it will make it possible to include the basic property of the collective farms, the product of collective farming, in the general system of national planning.

"That will be a real and effective means of raising collective-farm property to the level of public property under our present-day conditions." (Ibid., p. 104.)

The products-exchange system will undoubtedly be advantageous to the collective-farm peasants, for they will receive far more products from the state than under commodity circulation, and at much cheaper prices. The collective farms which now enjoy the "merchandising" arrangements, which are the rudiments of a products-exchange system, are aware of the immense advantages and benefits of that system. We know that there is a particularly large number of rich collective farms among the collective farms of this category.

In order to pave the way for the basic preliminary conditions for the transition to communism, Comrade Stalin says: "It is necessary, in the third place, to ensure such a cultural advancement of society as will

secure for all members of society the all-round development of their physical and mental abilities, so that the members of society may be in a position to receive an education sufficient to enable them to be active agents of social development, and in a position freely to choose their occupations and not be tied all their lives, owing to the existing division of labour, to some one occupation." (Ibid., p. 76.)

"For this, it is necessary, first of all, to shorten the working day at least to six, and subsequently to five hours. This is needed in order that the members of society might have the necessary free time to receive an all-round education. It is necessary, further, to introduce universal compulsory polytechnical education, which is required in order that the members of society might be able freely to choose their occupations and not be tied to some one occupation all their lives. It is likewise necessary that housing conditions should be radically improved, and that real wages of workers and employees should be at least doubled, if not more, both by means of direct increases of wages and salaries, and, more especially, by further systematic reductions of prices for consumer goods." (Ibid., p. 77.)

Only after all these preliminary conditions are satisfied in their entirety, Comrade Stalin teaches, may it be hoped that work will be converted in the eyes of the members of society from the heavy burden it was under capitalism into life's prime want, and public property will be regarded by all members of society as the sacred and inviolable basis of the existence of society. Only after all these preliminary conditions have been satisfied in their entirety will it be possible

to pass from the socialist formula, "from each according to his ability, to each according to his work," to the communist formula, "from each according to his ability, to each according to his needs." Comrade Stalin emphatically warns against running light-mindedly ahead to a transition to higher economic forms without first creating the necessary conditions for the transition.

Comrade Stalin has given a scientific solution of such great social problems and programmatic questions of communism as the abolition of the antithesis between town and country, and between physical labour and mental labour, and has also analyzed the question, new to Marxian science, of the elimination of the essential distinctions between them that still remain in socialist society.

Thus the Party's plans for the future, defining the prospects and ways of our advancement, are based on a knowledge of economic laws, on the science of the building of communist society worked out by Comrade Stalin. (Loud and long continuing applause.)

Of vast fundamental importance is Comrade Stalin's substantiation of the objective character of economic laws. Comrade Stalin teaches us that the laws of economic development, the laws of political economy—whether in the period of capitalism or in the period of socialism—are objective laws, reflecting the process of economic development which takes place independently of the will of man. Man may discover these laws, get to know them and utilize them in the interests of society, but he cannot destroy

old economic laws or create new ones. Economic laws are not created by the will of man, but spring from new economic conditions.

Profoundly mistaken is the view that laws of economic development may be created or abolished, that in view of the specific role assigned to the Soviet state by history, it can abolish existing laws of political economy, "form" new ones or "transform" them. Denial of the existence of objective laws of economic activity under socialism would lead to chaos and the rule of chance. Its effect would be to abolish political economy as a science, since science cannot exist and develop without recognizing objective laws and studying them. Denial of the objective character of economic laws is the ideological basis of adventurism in economic policy, of complete arbitrariness in economic leadership.

A major contribution to the Marxian political economy is Comrade Stalin's discovery of the basic economic law of modern capitalism and the basic economic law of socialism. A basic economic law defines the nature of a given mode of production and all the principal aspects and principal processes of its development; it furnishes the key to the understanding and explanation of all the laws of the given economic system.

Comrade Stalin has shown that the major features and requirements of the basic economic law of modern capitalism are "the securing of the maximum capitalist profit through the exploitation, ruin and impoverishment of the majority of the population of the given country, through the enslavement and

systematic robbery of the peoples of other countries, especially backward countries, and, lastly, through wars and militarization of the national economy, which are utilized for the obtaining of the highest profits" (ibid., pp. 43-44). This law discloses and explains the crying contradictions of capitalism, and reveals the reasons and roots of the rapacious aggressive policy of capitalist states. The operation of this law leads to the deepening of the general crisis of capitalism, to the inevitable growth and eruption of all the contradictions of capitalist society.

The very antithesis of decaying capitalism is the ascending and flourishing socialist system. The essential features and requirements of the basic economic law of socialism, discovered by Comrade Stalin, are: "the securing of the maximum satisfaction of the constantly rising material and cultural requirements of the whole of society through the continuous expansion and perfection of socialist production on the basis of higher techniques" (ibid., p.45). Comrade Stalin has shown that the aim of the socialist mode of production is not profit-making, but man and his needs, the satisfaction of his material and cultural requirements. The maximum satisfaction of the constantly rising material and cultural requirements of the whole of society is the aim of socialist production, and the continuous expansion and perfection of socialist production on the basis of higher techniques is the means by which this aim is achieved. The operation of this law leads to the advancement of society's productive forces, to its progress, and

to a constant rise in the material and cultural standards of the working people. (Applause.)

Comrade Stalin's discovery of the basic economic law of modern capitalism and the basic economic law of socialism is a crushing blow to all the apologists of capitalism. These basic economic laws testify that whereas in capitalist society man is subjected to the ruthless law of the securing of the maximum profit, for the sake of which he is doomed to severe hardship, poverty, unemployment and the blood and destruction of war, in socialist society all production is subordinated to man and his constantly rising requirements. Therein lies the decisive advantage of the new social system that is so superior to capitalism—communism. (Applause.)

Communism arises from the conscious creative effort of the working millions. The theory of spontaneity is profoundly alien to the socialist economic system. By virtue of the operation of the law of competition and anarchy of production, the capitalist economy is torn by the most acute contradictions. Comrade Stalin shows that on the basis of the socialization of the means of production, there arose in our country, in opposition to the law of competition and anarchy of production, the law of the balanced (proportionate) development of the national economy.

The law of balanced development of the national economy is not the basic economic law of socialism, and our planning cannot of itself yield the desired positive results if it does not take into account the principal aim of socialist production, if it does not rest on the basic economic law of socialism. In order

to secure a continuous expansion of social production in its entirety and to create an abundance of products in our country, it is necessary thoroughly to master the art of the balanced and rational utilization of all our material, financial and labour resources, in accordance with the requirements of the law of the balanced development of the national economy, and in conformity with all the requirements of the basic economic law of socialism.

In his works on the economic problems of socialism in the U.S.S.R., Comrade Stalin has shown us all the complexity of the problems we shall have to solve in coping with the difficulties, in resolving the contradictions which arise in the course of communist construction.

Comrade Stalin discovered the objective economic law that the relations of production must necessarily conform with the character of the productive forces, and demonstrated its immense transforming role and value to knowledge. With his deep penetration into the processes taking place in our economy, Comrade Stalin has revealed how profoundly mistaken is the view that under socialism there is no contradiction between the relations of production and the productive forces of society. Undoubtedly, there are contradictions, and will be, inasmuch as the development of the relations of production lags behind, and will lag behind, the development of the productive forces. Of course, in socialist society matters usually do not go so far as a conflict between the relations of production and the productive forces, but it would be dangerous to fail to observe that

there are, and may be, contradictions between them. It is our duty to discern these contradictions in good time and, by a correct policy, resolve them promptly, so that the relations of production might perform their role of the major and decisive force that determines the powerful development of the productive forces.

To ensure our further advancement, leading workers of the Party and our social scientists, the economists in the first place, must guide themselves by the programmatic indications of Comrade Stalin and thoroughly investigate problems of Marxist-Leninist theory in inseparable connection with practical constructive work.

The works of Comrade Stalin are graphic testimony to the paramount importance our Party attaches to theory. Revolutionary theory was, is, and will be the unfailing torch which illuminates the advance of our Party and our people towards the full triumph of communism. (Loud applause.)

Comrade Stalin is constantly advancing Marxian theory. His classic work, "Marxism and Problems of Linguistics," raises to a new and higher level the fundamental tenets of the Marxian theory concerning the law-governed character of social development, and makes a thorough examination of the question of the economic basis of society and its superstructure, and of the question of the productive forces and the relations of production. It develops further the theory of dialectical and historical materialism, as the theoretical basis of communism. Comrade Stalin has disclosed the function of language as an instrument of social development, and indicated the prospects for the future

development of national cultures and languages. In this work, Comrade Stalin has enriched the science of Marxism-Leninism with new postulates and opened up new prospects for the progress of all departments of knowledge.

Comrade Stalin's works on economic problems and linguistics mark a new stage in the development of Marxism and provide a superb example of the creative approach to the teachings of Marx, Engels and Lenin. Comrade Stalin shows us the impermissibility of a dogmatic approach to theory, which can only do grave injury to the political education of the masses. Comrade Stalin's discoveries in theory are of epoch-making importance; they arm all the peoples with a knowledge of how to bring about the revolutionary reconstruction of society and with the rich experience of the struggle of our Party for communism. (Loud and prolonged applause.)

The vast importance of Comrade Stalin's theoretical works lies in the fact that they warn against gliding on the surface; they penetrate deep into phenomena, into the very essence of the processes of social development, and teach us to perceive in their embryo the phenomena which will determine the course of developments, thus making Marxian prevision possible.

The teachings of Marx, Engels, Lenin and Stalin impart to our Party invincible strength and the ability to blaze new trails in history, clearly to see the aim of our forward movement, and more swiftly and securely to win and consolidate victory.

Leninist-Stalinist ideas vividly illuminate with the torch of revolutionary theory the tasks and prospects

of the struggle of the masses of all countries against imperialism, and for peace, democracy and socialism. (Loud and long continuing applause.)



Comrades, the Soviet state is no longer a lone oasis surrounded by capitalist countries. We are moving forward together with the great Chinese people (prolonged applause), together with the many millions of the People's Democracies and the German Democratic Republic. (Prolonged applause.) We have the sympathy and support of all progressive mankind. (Prolonged applause.) Together with all these forces we are upholding the cause of peace and friendship among nations.

Our mighty Country is in the flower of its strength and is moving forward from success to success. We have everything required for the building of a complete communist society. The natural resources of the Soviet Union are inexhaustible. Our state has demonstrated its ability to utilize these vast resources for the benefit of the working people. The Soviet people have demonstrated their ability to build a new society and look forward to the future with confidence. (Prolonged applause.)

At the head of the peoples of the Soviet Union stands our Party, tried and tested and steeled in battle, and unswervingly pursuing the Leninist-Stalinist policy. Under the leadership of the Communist Party, the epoch-making victory of socialism has been won in the U.S.S.R., and the exploitation of man by man has been

abolished forever. Under the leadership of the Party, the peoples of the Soviet Union are successfully working for the accomplishment of the great aim of building communism in our country. (Prolonged applause.)

There is no force in the world that can halt the advance of Soviet society. Our cause is invincible. We must keep our hand firmly on the helm and steer our course undeterred by provocation or intimidation. (Loud and prolonged applause.)

Under the banner of the immortal Lenin, under the wise leadership of the great Stalin, forward to the victory of Communism!

(On the conclusion of the report, all the delegates rise and greet Comrade Stalin with loud and prolonged cheers. There are cries from all parts of the hall: "Long live the great Stalin!" "Hurrah for our dear Stalin!" "Long live our beloved leader and teacher, Comrade Stalin!")

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